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31 JULY 1986

Southeast Asia Report

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SOUTHEAST ASIA REPORT

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UK'S RENTON URGES ASEAN TO FORM COMMON MARKET

BK020524 Hong Kong AFP in English 0513 GMT 2 Jul 86

[Text] Singapore, 3 Jul (AFP)--Britain, the new president of the European Community (EC), urged the Association of Southeast Asian Nations (ASEAN) Wednesday to create a common market so as to attract more investments from western Europe.

The call came from Timothy Renton, minister of state for foreign and Commonwealth affairs, who arrived here late Tuesday for a two-day visit on his way home from last Week's meetings with ASEAN foreign ministers in Manila as an EC representative.

Mr Renton told newsmen that investors would set up businesses more readily in ASEAN if they were assured of a duty-free common market among the six countries, home of about 300 million people.

He said the ASEAN-EC meeting scheduled for Jakarta in October could hear discussions along these lines as a report on ways to further economic cooperation, commissioned by the ASEAN-EC ministerial meeting in Bangkok in September, was to be presented there.

Mr Renton said that members of ASEAN--in which economic cooperation is said to be hindered by competition among members dependent on exports of common primary products--should look to the way the EC achieved cooperation by ending competition in exports of steel and coal.

He maintained that it was possible for ASEAN, over the next five to 10 years, to move towards effective economic union.

Implicitly referring to Philippines President Corazon Aquino's opening address to the ASEAN ministerial meeting and to his own talks with Filipino ministers, Mr Renton said Manila's initiative in that direction was encouraging.

He said the thrust of the breaking down of tariff barriers within ASEAN could be given a [word indistinct] if Philippines' ministers made this a theme as they sought to reshape their economy while "rejoining the ASEAN as a democratic body after the (Ferdinand) Marcos years."

He said that less than one percent of the Philippines' external trade was with the ASEAN market and added that, on average, ASEAN members' intra-group exports were 10-15 percent of their external trade.

In response to a question, Mr Renton said he did not see regional commodity pacts as a solution.

The fall in prices of tin, rubber, palm oil and crude oil had severely hit ASEAN producers and Singapore--the only member which has no commodity production--has been hit by a recession because of a slump in trade.

/9274
CSO: 4200/1214

DAILY HAILS SUHARTO'S PLANNED VISIT TO USSR

BK161159 Jakarta MERDEKA in Indonesian 4 Jun 86 p 5

[Editorial: "The Soviet Union's Invitation]

[Text] The Soviet parliamentary delegation, led by U. Salimov, vice president of the Presidium of the USSR Supreme Soviet, has extended an invitation from Andrei Gromyko, president of the Soviet Union, to President Suharto to visit the Soviet Union. The invitation was conveyed to Vice President Umar Wirahadikusumah in a meeting at his office.

Previously, there had been news of President Suharto visiting the Soviet Union when an invitation was extended by the Soviet deputy foreign minister, Mikhail Kapitsa, during his visit to the Southeast Asian countries some time ago. At that time, the Malaysian prime minister, Dr Mahathir Mohamed, was also invited to visit the Soviet Union.

Such an invitation is proper and suitable according to the conventions of international relations. Last year, when President Suharto visited two East European countries, diplomatic analysts noted the gesture as a way to improve Indonesia's relations with foreign countries and a means for paving the way for his visit to the Soviet Union. Such speculation is spreading widely among political and diplomatic circles in Jakarta.

However, Indonesia is a non-bloc country. Its stand, attitude, principle, and role in international affairs confirm this. It is to Indonesia's advantage to accentuate its foreign policy attitude and relations with other countries; it shows new perspective in the developments of Indonesia's foreign policy is wise and responsible.

It is, therefore, proper for President Suharto to accept President Gromyko's invitation. The visit will probably take place this year because next year Indonesia should be busy with the general election, and 1988 will alsobe busy with the formation of a new Parliament/People's Consultative Assembly and the special session of the People's Consultative Assembly.

Indonesia is now in the process of normalizing its relations with the socialist countries. It is currently promoting its trade, technological, and economic relations with the Soviet Union and the East European countries to overcome the drastic fall in bilateral trade volume during the past few years. Trade with the People's Republic of China is also being encouraged. All these efforts are within the framework of Indonesia's active-free foreign policy, based on the fact that not only America and the Western countries are marked on the world map but also the Soviet Union and the East European countries; the countries of the North and South are also on the world map. Indonesia will be happy if its political relations with all the countries on the world map are friendly, harmonious, and marked by goodwill and understanding.

There is no call to doubt the capacities of the active-free foreign policy, nor is there a need for anyone to be sentimental over it and regard the normalization of relations with socialist countries as something naive and detrimental. The logic of Indonesia's foreign policy does not allow for such an attitude.

Regarding that, every legal, positive opportunity should be welcomed to give valuable support to the strategy of the active-free foreign policy. The development of our foreign policy must assume a vital position in protecting our current national interests, especially in facing international economic and security instability.

Good and balanced relations with foreign countries, aimed at benefiting Indonesia, should be given priority in the 1980's.

President Suharto's visit to the Soviet Union will create the impression that establishing friendship with all nations, without regard to whether or not they profess a socialist ideology, is the direction for our society, producing an enormous advantage in our national growth.

/9274
COS: 4213/158

INDONESIA

SOVIET WITHDRAWAL FROM AIR SHOW 'REGRETTED'

BK231109 Jakarta SINAR HARAPAN in Indonesian 17 Jun 86 pp 1, 12

[Excerpt] Jakarta, 17 Jun--State Minister for Research and Technology B. J. Habibie has regretted the withdrawal of the Soviet Union from the Indonesian Air Show 1986 because that country had earlier confirmed its participation.

Speaking to a news conference attended by domestic and foreign journalists at the Kemayoran air show complex in Jakarta on Monday [16 June], Habibie said that in February, the Soviet ambassador to Indonesia requested him to provide an 800-square meter exhibition space, exclusive and separated from other participants. The air show organizing committee then worked hard to comply with the request, especially on hearing that the Soviet Union would send an Antonov plane, billed as the biggest cargo plane in the world, for display at the show. However, on 20 May, or 1 month before the opening of the air show, the Soviet Embassy in Jakarta, in a letter signed by the embassy's third secretary, informed a low-ranking official of the air show organizing committee that the Soviet Union was unable to take part in the show due to the limited time available for preparing the aircraft for display.

Habibie also said that the failure of the Soviets to announce their withdrawal in time had affected the organizing committee because the reserved space could have been used by 18 European aviation companies that had expressed interest in the show. If the Soviets had informed the organizing committee earlier, these companies would certainly have been able to participate.

A total of 235 aviation companies from 22 countries will take part in the air show, with France topping the list with 46 companies, followed by the FRG with 29, Britain with 27, the United States with 13, Japan with 11, and other companies.

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CSO: 4213/158

INDONESIA

DAILY ON PROBLEM OF HALTING TRADE WITH PRC

BK261305 Jakarta SINAR HARAPAN in Indonesian 18 Jun 86 pp 1, 11

[Text] Jakarta, 18 Jun--Sino-Indonesian direct trade, suspended after a disagreement over procedures for inspecting goods at PRC ports before shipment to Indonesia, can be resumed only if President Suharto takes up the matter personally. A SINAR HARAPAN source, who refused to be identified, said: "The suspension of direct trade has actually been caused by a misinterpretation of Presidential Decree No 4/1985. Therefore, the only solution to the problem is through the Indonesian head of state's intervention."

Direct trade between the PRC and Indonesia had earlier been frozen for 18 years before it was officially resumed on 5 July 1985 when the Indonesian Chamber of Commerce and Industry [Kadin] and the China Council for the Promotion of International Trade [CCPIT] signed a memorandum of understanding in Singapore. The memorandum reflected the desire of the two countries' businessmen to resume direct trade and was ratified by the Indonesian Government soon afterwards. Presidential Decree No 9/1985 was then issued to facilitate the implementation of direct trade.

As soon as direct trade was officially reopened, businessmen from both countries thought that the procedure for inspecting goods by the Societe Generale de Surveillance [SGS], as required by Presidential Decree No 4/1985, would pose a problem, mainly because of the lack of SGS participation in facilitating the implementation of direct trade. Besides, a PRC law prohibits direct operations by a surveyor company in that country.

An uproar caused by the lack of SGS interest in the matter broke out at the end of 1985 when a shipment of cotton destined for Indonesia was stranded at a PRC port. In compliance with Presidential Decree No 4/1985 shipments of all goods imported into Indonesia must be furnished with a certificate of clearance issued by the SGS. The certificate is issued after the SGS inspects the goods at the port where they are loaded. Since the SGS was not allowed to do its duty at the PRC port, the cotton could not be shipped even though two Indonesian businessmen had opened a letter of credit for the transaction.

After the uproar over the incident, the SGS began to pay more attention to its duties. When a PRC trade mission visited Jakarta in January 1986, the SGS began to explore the possibilities of contributing to the implementation of direct trade. Officials of the PRC surveyor company, the China National Import and Export Commodities Inspection Corporation [CCIC] were also included in the PRC trade mission and consequently talks were held between the CCIC and SGS officials in Jakarta during the visit. These talks took place outside the official agenda prepared by Kadin.

The talks between the CCIC and SGS produced an agreement known as "Minutes of the Meeting" [four preceding words in English], which basically stipulates that "the CCIC shall conduct the inspection of goods before their shipment to Indonesia and issue a certificate of clearance on behalf of the SGS for all goods sold or directly shipped from a PRC port to Indonesia." The agreement was signed on 24 January 1986.

The SINAR HARAPAN source pointed out that, with the signing of the agreement, there should be no additional problems in implementing direct trade between the two countries, especially as far as the inspection of goods is concerned. The CCIC also began to discharge its duties immediately. However, on 1 April 1986, the CCIC office in Shanghai unexpectedly received a telex from the SGS office in Hong Kong saying, "Please be advised that effective today no certificates of clearance are to be issued unless the goods are inspected by the SGS." For practical purposes, the telex halted the existing direct bilateral trade, and some businessmen who had already opened their letters of credit had to move their goods to Hong Kong for inspection while others decided to wait for further developments.

The SINAR HARAPAN source said that the telex from the SGS office in Hong Kong was based on an 8 February letter from Trade Minister Rakhmat Saleh to R. J. Wareham, the executive vice president of the SGS office in Jakarta. The letter said: "Presidential Decree No 4/1985 and other decrees originating from it stipulate that all goods to be imported to Indonesia must be inspected by the SGS at the port of loading. A certificate of clearance can be issued only if the SGS concludes that the goods indeed fulfill existing requirements. The presence of SGS officials at the port of loading is considered compulsory even when the SGS has to depend on the services of CCIC officials for partial or full inspection of goods."

According to SINAR HARAPAN's source, the letter, aside from being a step backwards, is considered convusing. In this respect, part of the letter reads, "However, there should be enough SGS officials to participate in it." A question arises as to whether the SGS officials should only accompany the CCIC officials to stand and stare, or whether the SGS officials should make the inspection, and if so why the mandate to the CCIC officials.

The letter from the trade minister, according to SINAR HARAPAN, indicated that there has been a misinterpretation of the decision in Presidential Decree No 4/1985. The decree states that all Indonesian imports should be inspected by SGS officials at the ports. But it also states that "what is meant by the participation of SGS is also meant to include subsidiary and affiliated agents or other appointed agents." Based on the decision in Article 3 under Section 9, the CCIC's clarification, as pointed out by SGS, is relevant to the "Minutes of the Meeting" in Jakarta and does not contradict the presidential decree, because the trade minister's letter has indirectly cancelled SGS-CCIC cooperation with the resulting confusion. The SINAR HARAPAN source added that only the head of the Indonesian republic could clear up the confusion.

From another source, SINAR HARAPAN learned that the question of security has also become a topic for consideration in the termination of direct trade. Without SGS officials inspecting the imports, the question of responsibility is difficult in terms of security. The issue can be cleared up if the president himself takes a hand in it. In this respect, the president can issue instructions concerning security inspections on imports from the PRC or any other suspect countries. The source added that the inspection is only meant to check on imported goods as reported and not on prices or shipping tarrifs, which is handled by customs.

SINAR HARAPAN's source said that currently several efforts are under way to find a means of carrying on direct trade. Official clarification cannot be obtained. Deputy Chairman of the Indonesian Trade and Commerce Chamber--PRC committee--Jacob Hendrawan, declined to comment and referred the issue to Trade Minister Rakhmat and Deputy Minister Murdiono. Murdiono, on instructions from the president, has been tasked as coordinator of Indonesia-PRC direct trade relations.

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CSO: 4213/158

INFORMATION MINISTER, DPRK OFFICIAL HOLD TALKS

BK220926 Jakarta Domestic Service in Indonesia 2300 GMT 21 Jun 86

[Text] Information Minister Harmoko and DPRK Information Minister [title as heard] Chu Hyon-ok have agreed to carry out a regular exchange of visits for radio, television, and film personnel of the two countries. The agreement was reached after an hour-long talk at the Information Department in Jakarta yesterday. The exchange of visits for journalists will be arranged through the journalists' associations of the two countries.

Speaking to the Radio Republik Indonesia, Sukarno, director general of the press and graphics development, said the agreement is a follow up to a memorandum of understanding signed by the two countries' information ministers in Pyongyang last September. Both Harmoko and Chu Hyon-ok have agreed to establish a committee in charge of implementing the memorandum of understanding headed by senior officers of the respective country's information department.

During the talks, both sides also agreed to keep adhering to the resolution passed by the first conference of nonaligned countries' information ministers in Jakarta in 1983 and jointly working for the success of the second conference in Harare, Zimbabwe, scheduled for next April, or about 6 months after the nonaligned countries' summit meeting.

Last night, Information Minister Harmoko hosted a dinner in honor of Chu Hyon-ok at Jakarta's Borobudur Hotel. Chu Hyon-ok arrived in Jakarta yesterday afternoon on a 7-day visit to Indonesia. He is scheduled to visit Yogyakarta and Bali and pay courtesy calls on President Suharto and a number of cabinet ministers.

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CSO: 4213/158

DAILY ON PAPUA NEW GUINEA'S DESIRE TO JOIN ASEAN

BK301416 Jakarta KOMPAS in Indonesian 26 Jun 86 pp 1, 8

[Excerpts] Manila, KOMPAS--Papua New Guinea Foreign Minister Legu Vagi officially expressed his country's desire to become a full member of ASEAN during a joint breakfast with ASEAN foreign ministers at Manila's Philippine Plaza Hotel on Wednesday [25 June]. Responding to the PNG foreign minister's request, ASEAN foreign ministers said that they would ask senior ASEAN officials to hold a meeting to consider the request.

Earlier, the PNG foreign minister made a similar request during his welcoming address at the opening ceremony of the annual meeting of ASEAN foreign ministers on Monday and also at a special news conference arranged for him.

James Luhulima, a KOMPAS correspondent in Manila, reported that the PNG request to join ASEAN has surprised many observers because when Legu Vagi visited Indonesia earlier this year he expressed only his desire to sign the Treaty of Amity and Cooperation in Southeast Asia, a document ratified by the ASEAN summit meeting in Bali in 1976. Legu Vagi also stressed that the desire to sign the treaty should not be viewed as a desire to join ASEAN.

When the PNG's request to sign the treaty was discussed at the ASEAN senior officials' meeting in Bali this year, it produced mixed reactions among the delegates. They noted that, while it is true that the treaty is open to outsiders, it is intended for countries located in Southeast Asia only. If the PNG were to be considered a Southeast Asian country, what would happen if it decided to join ASEAN? A senior Malaysian official remarked that the differences in culture, history, philosophy, and other attributes between the PNG and ASEAN is so great that it will make it difficult for the PNG to become an ASEAN member country.

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CSO: 4213/159

MOKHTAR COMMENTS ON MANILA ASEAN MEETING

BK291309 Jakarta Domestic Service in Indonesian 1200 GMT 29 Jun 86

[Text] Foreign Minister Mokhtar Kusumaatmaja says ASEAN's stand on the Cambodian problem remains unchanged and ASEAN will continue to seek through diplomatic channels a political settlement acceptable to all parties.

Mokhtar said this on his arrival at Jakarta's Sukarno-Hatta Airport this evening after attending the 19th annual meeting of ASEAN foreign ministers in Manila. He said that the foreign ministers had also discussed South Africa's apartheid policy, Middle East conflicts, disarmament, and the zone of peace, freedom, and neutrality in Southeast Asia. The foreign ministers adopted a resolution condemning South Africa's inhuman apartheid policy and supporting the 20 June Paris Declaration on sanctions against South Africa. The resolution also strongly condemned the continued occupation of Namibia by South Africa, which is a violation of the Namibian people's right of self-determination.

Touching on economic issues, Mokhtar said that ASEAN had expressed its concern to the dialogue partners over the growing protectionist policies of industrialized countries, which have strongly affected the developing countries' economies.

The ASEAN foreign ministers also discussed intra-ASEAN economic cooperation with a view to consolidating the regional grouping's economies and coping with the current economic crisis.

During his stay in Manila, Mokhtar held talks with his counterparts from Malaysia, the United States, Papua New Guinea, New Zealand, Australia, and Canada. He also met with Rafiudeen Ahmed, special envoy of the UN secretary general in charge of decolonialization and humanitarian affairs for Southeast Asia.

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CSO: 4213/159

INDONESIA

ALI WARDHANA ADDRESSES IGGI MEETING ON AID REQUIREMENTS

BK191311 Jakarta ANTARA in English 0739 GMT 19 Jun 86

[Text] The Hague, 19 June (ANTARA)--Indonesia needs bigger amount of foreign aid enabling it to make adjustments, increasing the utilization of domestic funds without triggering off undesirable economic slump, it was stated here Wednesday.

Coordinating minister for economics, finance, industry and development supervision, Professor Ali Wardhana when addressing an annual 2-day meeting of the Inter-Government Group on Indonesia (IGGI), said that the adjustment was not a sudden measure.

"Although a series of measures has been taken in the field of taxes and the monetary, the government realizes that the adjustment process is not a sudden measure, as it would cost too much for the national economy," he said.

Moreover, he added, an adjustment process which was taken unexpectedly, would not yield an optimum result.

He also said, the biggest amount of funds was needed considering the falling of oil price resulted in a decline of the national income.

In this respect, Indonesia expected the meeting would consider the amount of foreign funds as estimated by the World Bank.

The World Bank has recommended the Indonesian foreign aid donors to maintain last year's aid level of 2.4 billion U.S. dollar.

Ali Wardhana explained that development of the Indonesian economy in 1985 was of much influenced by the unfavorable situation of the world economy, after experiencing a relatively high economic growth in 1984.

The Indonesian economic growth in 1985 was estimated to have reached 2 percent compared with 6 percent in 1984.

Due to the world economic developments which was already noted since 1981, the Indonesian Government has taken difficult but needed measures to encourage a more advantageous development in non oil/gas sector, limiting the use of foreign exchange and stepping up economic efficiency as a whole.

In facing the pinch of flagging world economic situation, Indonesia has also taken measures in limiting domestic expenditures.

Ali Wardhana made it clear that it was Indonesian policy to date to make adjustment in decreasing the domestic expenditures in an effort to cope with negative influence of foreign economic developments.

He said that the measures taken in monetary and taxes had yielded an encouraging results.

Earnings from the value added taxes had increased, now accounting for 30 percent of domestic revenue excluded income from oil and gas.

/12232
CSO: 4200/1210

EDITORIAL REITERATES SUPPORT FOR NUCLEAR-FREE ZONE

BK010807 Jakara MERDEKA in Indonesian 26 Jun 86 p 5

[Editorial: "Strange Logic"]

[Text] U.S. Secretary of State George Shultz has made history by viewing as "erroneous" a statement by ASEAN foreign ministers on the establishment of a nuclear-free zone in Asia. He even stressed that nuclear weapons serve as a force to ensure stability and to contain Soviet influence in Asia. Shultz wanted to push the ASEAN foreign ministers to accept the U.S. formula on nuclear weapons and not a nuclear-free zone.

It is apparent from his statement that Shultz views the ASEAN foreign ministers as figures whom he can manipulate to understand and follow what the United States wants. The logic that nuclear weapons are a stabilizing factor indicates that Shultz's moral perception about war and peace is based on the Napoleonic concept on war and the justification of wars and their destroying instruments as the legal norms of contemporary diplomacy. This is really misleading and ridiculous. Why? While people throughout the world are struggling to demand that swords be turned into plows, George Shultz is strongly campaigning in the opposite direction. Thus, the "nuclear-free zone" concept is taboo for him.

Nontheless, in Manila, the ASEAN foreign ministers talked about Asia where they were born and are living. They do not want to let warlike forces turn Asia into a nuclear graveyard. Accordingly, the legitimate and official Asian representatives made their attitude and stand known for the sake of Asia's life and future. George Shultz has no right to blame ASEAN. Who has given Shultz the right to interfere in the right of the Asian people to reject nuclear weapons and wars? Isn't the atomic genocide committed by the United States in Hiroshima and Nagasaki 40 years ago more than enough?

The political, ideological, military, and technological competition between the United States and the Soviet Union does not concern Asia and ASEAN. Asian nations have a basic consciousness that all forms and manifestations of this competition, especially in the political and military field, pose a serious threat and danger to this part of the world. The formulation of the "nuclear-free zone" concept represents a legitimate manifestation of the conscience of Asian nations to defend their life and safety. A guarantee for this objective will not come from outside but from their national struggle to remove a possible nuclear conflict from their own region.

Shultz's efforts to equate the six ASEAN foreign ministers with figures such as Yasuhiro Nakasone, who wants to be a U.S. partner in Asia, have in principle misfired, because ASEAN is neither the Horn of Africa nor a powerless region on which Washington can arbitrarily impose its will.

Shultz's opposition to the concept of a nuclear-free zone in Asia and the Pacific indicates that not only does this concept have international political leverage but it would also effectively support the noble struggle for peace in the world. The positive validity of its political values is a new message to the struggle to turn world regions into nuclear-free zones and avert the threat of a nuclear war.

Criticized and opposed by a war proponent, this idea has become valid and more important for the world and humanity. It would be noble for those initiating the nuclear-free zone concept to intensify their efforts more vehemently to translate it into a phenomenal political reality.

/6662
CSO: 4213/159

INDONESIA

BRIEFS

AUSTRALIAN JOURNALIST REFUSED ENTRY--Medan, 21 June (ANTARA)--Murry Richard Brian, an Australian journalist, had been denied access to Indonesia by immigration officials at Polonia Airport here Friday although he disguised himself as a tourist. The denial of Brian's access who arrived from Penang, Malaysia, was in line with the government's policy which did not yet permit entry of journalists from Australia to visit Indonesia in the wake of David Jenkins article. Jenkins, recently had published an article in the Syndey MORNING HERALD TRIBUNE which contained a slanderous message besmirching the name of President Suharto. The Indonesian Journalist Association had lodged an official protest on the case. Brian who came together with tourists had spent a night in Medan [as published] before departing for Indonesia on Saturday. After listening to the official explanation, the Australian journalist showed his understanding and realized the reasons pointed out by Indonesian officials. "I have disturbed you," he told the official. Another Australian journalist was also denied access to this city last April for the same reason. [Text] [Jakarta ANTARA in English 0735 GMT 21 Jun 86 BK] /12232

EAST TIMOR INCOME UP--Jakarta, 29 June (AFP)--The former Portuguese colony of East Timor has chalked up four-fold growth in per capita income in the 10 years since its integration with Indonesia, East Timor Governor Mario Carrascalao said. Per capita income in what has become Indonesia's 27th province rose to some 160,000 rupiahs (about 160 U.S. dollars) in 1984, Mr Carrascalao told reporters in Dili, the provincial capital, ANTARA news agency said. Per capita income was just 40,000 rupiahs (40 U.S. dollars) in 1974, 2 years prior to integration, the governor said. Mr Carrascalao, briefing newsmen prior to the province's 17 July 10th anniversary, said education was one sector where marked progress had been made. Most regencies were now able to accommodate 100 percent of school age children, compared with 60 percent before annexation, he said. There are now 500 primary schools in the province, which has a population of 600,000, compared with 70 before integration, Mr Carrascalao said. A university is scheduled to open in the province this year, he added. East Timor, a major coffee producer, recorded economic growth of 8 percent in 1985, Mr Carrascalao said. The International Monetary Fund estimated economic growth of 1.3 percent for the country in 1985. [Text] [Hong Kong AFP in English 0853 GMT 29 Jun 86 BK] /12232

MOKHTAR ON SOVIET ACCUSATION--Foreign Minister Mokhtar Kusumaatmaja said the accusation of the Soviet delegation was a baseless expression. "That's their view, maybe if they conduct any kind of cooperation it often is directed towards that idea." Mokhtar made these comments at the Sukarno-Hatta airport Friday upon arriving from a visit to Nigeria, the United States, and South Korea. He was replying to a question from THE INDONESIA TIMES on a report which quoted the Soviet vice-president of the Supreme Soviet, Akil Salimov, as saying in Singapore that the United States and Japan were trying to form a military bloc in Southeast Asia. The Soviet official also expressed displeasure on what it considers to be U.S. and Japanese influence over the Association of Southeast Asian Nations (ASEAN). The Indonesian foreign minister stressed that Indonesia is not siding with anybody. "We are not pro Tokyo or pro Washington. "We are pro Indonesia. Whatever we do here is for the national interests of our country and the countries of this region." [Excerpts] [Jakarta THE INDONESIA TIMES in English 7 Jun 86 p 1 BK] /12232

MOKHTAR ON AUSTRALIAN RELATIONS--Jakarta, 12 June (ANTARA-OANA)--Melanesians, like Indonesians, Malaysians and other ASEAN nations are not hostile in nature. Therefore, the view that Indonesia constitutes a threat to Australia is baseless. The remark was made by Foreign Minister Mokhtar Kusumaatmaja here Thursday commenting on a panel discussion by the ABC [Australian Broadcasting Corporation] Television Four Corners which concluded that Indonesia is a threat to Australia. Mokhtar, speaking during his weekly press conference, stated he did believe that the panel viewed Indonesia as a threat to Australia. Australia, as is the case with Indonesia, is an influential country, thus excluding the possibility for Indonesia to attack Australia, Mokhtar added. The people of Indonesia are furthermore occupied with other things, in particular with its economic development. If Australia were threatened from the north, this would not likely come fron Indonesia but possibly from the People's Republic of China, Japan or Vietnam, the minister said. The people of Indonesia wished nothing more than to live in friendship with other peoples of the world, the minister said adding there was no reason to react too seriously to views expressed in a panel and the like. Four Corners was organised by the ABC Television as a follow up of a suggestion by member of Parliament Paul Dibb to hold a poll on what constitutes the greatest threat to Australia. Among ABC viewers 35 percent rated Indonesia as a threat to Australia against 22 percent who think the greatest threat was coming from the Soviet Union. [Excerpts] [Jakarta ANTARA in English 0931 GMT 12 Jun 86 BK] /12232

SUHARTO MEETS SINGAPORE PM--President Suharto received a courtesy call from Singapore Deputy Prime Minister Goh Chok Tong, who was accompanied by State Minister for National Planning and Development Sumarlin, at the Bina Graha presidential office this morning. During the meeting, President Suharto stressed the importance of political stability in Indonesia, which is a key factor in the stability of Southeast Asia. Speaking to newsmen later, Goh Chok Tong said that the president also briefed him on the role of the Pancasila state ideology in national development. An expansion of bilateral ties was also discussed by the two leaders. [Text] [Jakarta Domestic Service in Indonesian 0700 GMT 25 Jun 86 BK] /6662

NON-OIL EXPORTS TO CHINA--The chairman of the Indonesian Chamber of Commerce and Industry, KADIN, Sukamdani Sahid Gitosarjono, told newsmen in Jakarta 3 July that the value of Indonesia's non-oil and nongas commodities sales to China since the opening of direct trade between the two countries last July reached $200 million. He said that thus far Indonesia's exports to China exceed its imports from that country. [Summary] [Jakarta Domestic Service in Indonesian 1200 GMT 3 Jul 86 BK] /6662

COOPERATION ACCORD WITH AUSTRALIA--Australian Ambassador Bill Morrison and the Secretary General of the Home Affairs Department on 1 July signed a memorandum of understanding aimed at improving the living standards of farmers in 75 villages in East Nusatenggara in Jakarta. Australia will provide a grant totalling 18.8 billion rupiah to implement the second stage of the project initiated in 1981, while Indonesia will allocate 9.2 billion rupiah for the project. [Summary] [Jakarta Domestic Service in Indonesian 1200 GMT 1 Jul 86 BK] /6662

MOROCCAN, YEMENI ENVOYS--President Suharto received credentials from two ambassadors accredited to Indonesia in Jakarta on 2 July. They are Ambassador Chaouki Ben Azzou of the Kingdom of Morocco and Ambassador Muhammad 'Abd al-Quddus al-Wazir of the Yemeni Arab Republic. [Summary] [Jakarta BERITA BUANA in Indonesian 3 July 86 pp 1, 7 BK] /6662

NEW AVIATION AGENCY CHIEF--Minister-State Secretary Sudharmono installed Air Marshal Iskandar as new chairman of the National Aviation and Space Institute, replacing Vice Air Marshal R. Sunaryo, at a ceremony in Jakarta on 27 June. [Summary] [Jakarta KOMPAS in Indonesian 28 Jun 86 p 12 BK] /6662

ATTORNEY GENERAL ANNOUNCES BOOK BANS--Attorney General Hari Suharto has banned the circulation of two books in Indonesia. (Ibnu Ngurah), chief of the public relations division of the Attorney General's Office, disclosed in Jakarta yesterday that the two books are entitled "Indonesia: The Truth Surrounding 1965--Suharto Stands Trial," published by a publishing company in Amsterdam, the Netherlands, and "Army and Politics in Indonesia" by Harold Crouch, published by the Sinar Harapan Publishing House in Jakarta. Those who still keep, circulate, sell, and plan to reprint these two books are urged to surrender the books to the local office of the Public Prosecutor or the Office of the District Attorney. The Office of the Attorney General also called on police and other security authorities to seize the books when they see them. [Text] [Jakarta Domestic Service in Indonesian 2300 GMT 21 Jun 86 BK] The attorney general has banned the circulation of a book entitled "Building the Structure of Indonesian (Islamic Society" written by M. S. Suhari and published by the Institute of Islamic Studies in Jakarta. The book has been banned because it could incite its readers to develop (hostile) feelings toward the government. The book could also encourage its readers to simultaneously move to create a new society based on Islamic laws in Indonesia. In his Directive No 051/1986, the attorney general urged those who keep, sell, and plan to reprint the said book to surrender them to the nearest office of the public prosecutor or district attorney. Those who violate the ban will face appropriate legal action. [Text] [Jakarta Domestic Service in Indonesian 1500 GMT 9 Jul 86 BK] /9274

CSO: 4213/158

MAHATHIR CALLS FOR SANCTIONS AGAINST SOUTH AFRICA

BK13129 Kuala Lumpur Domestic Service in English 1130 GMT 13 Jun 86

[Text] Malaysia has called on the Commonwealth and the International Community to seriously consider imposing a comprehensive mandatory economic sanction against Pretoria to put an end to its apartheid policy. Datuk Dr Sri Mohamed says the country strongly believes that there is no other effective and peaceful weapon than economic sanctions to oppose the racist regime to demolish the structure of apartheid.

In a statement issued in Kuala Lumpur, the prime minister said the urgency to bring an end to the bloodshed and fear in South Africa has become more acute than ever in using abusive repressive measures by the minority white regime in Pretoria against the black majority.

Datuk Sri Dr Mahathir was commenting on a resolution by the Commonwealth Eminent Persons Group [EPG] to abandon its peace initiative in South Africa due to the uncompromising attitude of the Pretoria regime. Datuk Sir Dr Mahathir points out that Malaysia has all along been skeptical about the success of the Commonwealth effort since the EPG was set up at the last Commonwealth summit in Nassau, Bahamas. He adds that the Commonwealth now has to consider the alternative of imposing a comprehensive mandatory sanction in view of the EPG's failure.

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CSO: 4200/1211

MAHATHIR SAYS ECONOMY SHOWS SIGNS OF RECOVERY

BK211011 Kuala Lumpur BERNAMA in English 0845 GMT 21 Jun 86

[Text] Kuala Lumpur, 21 June (OANA-BERNAMA)--The nation's economy has shown signs of recovery, including in the electronic and timber industries, Dr Mahathir Mohamad said Saturday.

In addition, the price of oil was becoming more stable and might recover within the next few months, the Malaysian prime minister said.

Speaking at an investiture ceremony in conjunction with the recent birthday of the Yang Di-pertuan Agong (king) at Istana Negara (national palace), he said he was confident that the nation's economy would continue to recover, albeit gradually.

Dr Mahathir said that in drawing up the fifth Malaysian plan (1986-1990), consideration was given to all aspects of the national economy as well as the world economy, adding that the government was optimistic that a large portion of the objectives of the new economic policy would be achieved.

He also said that the control on imports and the strict financial control by the government in the past years were showing encouraging results.

He said the success of the measures could be seen in the rise in the country's external reserves.

At the end of last year, the total amount of reserves could pay for an equivalent of 4.9 months of the nation's imports compared with only 3.5 months in 1984, he said.

Initial success in financial control had been achieved by implementing only development projects which were important and those that needed to be sped up, he added.

He said loans, whether domestic or foreign were sought only for development projects which yielded returns for the country's economy.

On unity, the prime minister said the government was happy with the present level achieved, adding that it would continue with efforts to strengthen it to ensure a strong and prosperous nation.

Dr Mahathir also said that most of the people in the country valued solidarity, were rational and always aware of the importance of unity and that there were only a handful who were preoccupied with issues that could raise communal feelings.

"On the whole, these minor trials will ultimately make the nation stronger and more united," he added.

He pledged that the government would continue to work with determination to ensure the prosperity, security and happiness of the people and nation.

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CSO: 4200/1211

CABINET SETS UP COMMITTEE ON FOREIGN INVESTMENT

BK251245 Kuala Lumpur BERNAMA in English 1136 GMT 25 Jun 86

[Text] Kuala Lumpur, 25 June (OANA-BERNAMA)--A cabinet committee on investments was set up by the cabinet at its weekly meeting here Wednesday to speed up and facilitate the approval of applications from foreign investors.

The committee chaired by Deputy Prime Minister Ghafar Baba comprises the ministers of finance, trade and industry, public enterprises, primary industries and energy, telecommunications and posts.

Information Minister Rais Yatim told reporters after the meeting the committee was set up in view of the slow approval of applications from foreign investors by the various departments.

Rais, who is cabinet spokesman, said the meeting discussed complaints from several quarters, especially potential investors, about late approval of their applications by the relevant authorities.

Consequently, he said, the investors had taken their capital and cooperation to neighbouring countries like Singapore, leaving Malaysia to rue the loss.

Rais said several projects had been delayed or "lost" because of the delay in approval of applications which had given the country a bad image.

He said the cabinet felt that if this continued, the country would continue to lose the sources of investment and the good returns on investment.

As such the cabinet felt it appropriate for the government to set up a cabinet committee to monitor the processing, period and conditions governing the consideration and approval of applications from foreign investors.

"The government is convinced that in its determination to ride out the economic downturn, the setting up of the cabinet committee is appropriate and a means of overcoming obstacles to the speeding up of joint ventures from foreign countires."

He said the government was confident that the establishment of the committee would be welcomed by foreign investors as it would cut down red tape.

Rais said Ghafar could appoint, with the agreement of the cabinet, other ministers or senior government officers to the committee if he deemed it necessary.

He said that among the main investors who had encountered the problem of delay in approval were those from Japan, the United States and Britain.

The cabinet also discussed the problem of possible radioactive contamination of food from several European countries following the Chernobyl nuclear accident in the Soviet Union recently.

Rais said the government had directed the relevant authorities to make periodic checks on fresh and processed foodstuff imported from Europe.

The foodstuff included fruits, vegetables, fish and other seafood, and fresh and processed milk.

So far the local authorities had not detected any sign of radioactivity on such foodstuff arriving from Europe, he added.

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CSO: 4200/1211

COMMENTARY SCORES SRV OCCUPATION OF CAMBODIA

BK261139 Kuala Lumpur International Service in English 0800 GMT 26 Jun 86

[Station commentary]

[Text] World attention has been focussing on the meeting of ASEAN foreign ministers which has now ended. The spotlight will now be turned on the dialogue session with ASEAN's major trading partners such as the United States of America, the European Community, Japan, Australia, Canada, and New Zealand. Each meeting of ASEAN ministers is a step forward, however, big or small, and that movement leads to more unity and helps to increase ASEAN's prestige in the world community.

By contrast, the intransigence of Vietnam has pushed it into greater isolation and increased its dependence on the Soviet Union. ASEAN foreign ministers were meeting at about the same time that Vietnam had undergone a radical change in its government that is comparable to a major cabinet reshuffle. It would appear that the nightmare confronting the Vietnamese decisionmakers concerns the sluggish if not stagnant economy and the unwelcome symptoms such as runaway price increases and shortage of consumer goods. It remains to be seen whether the sacking of some members of the old brigade in itself is sufficient to improve the economic system or whether it will turn out to be a mere cosmetic change. (?Doubtless), Vietnam is in the throes of immense difficulties, partly because of the colossal physical damage and destruction brought about by the war. However, when the war ended, Vietnam had every opportunity to obtain aid and technical assistance from many influential sections of the international community for reconstruction and rehabilitation. Even the United States would have granted aid and normalized its relations with Vietnam as public opinion was sympathetic with the sufferings of the Vietnamese people caused by American military action. The world was shocked to learn that Vietnam was bent on invading and occupying Kampuchea and was tightening its grip on Laos. Ever since that takeover of Kampuchea, ASEAN political and diplomatic leaders have been using every possible means to persuade Vietnam to leave Kampuchea to the Kampucheans themselves. Vietnam's peremptory rejection of the 8-point peace proposal of Prince Norodom Sihanouk is but the latest in a series of peace plans that were thrown out by Hanoi's leaders. In spite of the obvious threat to Southeast Asia arising out of Vietnam's grant of military and naval facilities to the Soviet Union, ASEAN has not become a defense pact nor a military alliance. Even at the Manila meeting which has just ended, the ASEAN ministers called on Vietnam to reconsider its present posture. It is not merely a question of power politics. The human dimensions are equally urgent. The exodus of people out of Vietnam by sea and by overland route continues, and this is the best indication that all is not well within Vietnamese society.

Even in its external relations, Vietnam has become so dependent on the Soviet Union's (?good will) that it dares not take an independent stand. By contrast, ASEAN is determined to be a zone of neutrality and a nuclear-free zone too.

The dialogue session over the next 2 days may see even more progress being made in furtherance of ASEAN's goals.

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CSO: 4200/1211

MALAYSIA

BRIEFS

OFFICIAL CRITICIZES PAS INTENT--The deputy prime minister, Mr Ghafar Baba, has hit out at the opposition Pan-Malayan Islamic Party [PAS] for saying it would chart a new constitution for the country if it comes to power. He said PAS wanted a constitution that would have no provision for the special rights of the Malaya, not realizing that this would be against in the interest of the Malays. He warned that if the constitution was changed to this effect, there could be unhealthy developments in the country. Mr Ghafar said the present constitution was just fine, as it took into account the interests of all communities and did not go against this line. The deputy prime minister was speaking at a political gathering in Kuala Terengganu. [Text] [Kuala Lumpur International Service in English 0800 GMT 13 Jun 86 BK] /12232

MAHATHIS ON 'RESPONSIBLE GOVERNMENT'--Datuk Sri Dr Mahathir Mohamed has reminded the people that the question of electing a responsible government other than the Barisan Nasional is not to be taken lightly. He said the people would only regret and suffer the consequences they elected a new government which failed to keep its promises. The new government would have the power to amend the constitution to enable them to maintain power, abolish elections, and restrict the people's freedom even though such matters were not raised in its campaigns to fish for votes. The prime minister was speaking at a dinner organized by the Bagan Serai UMNO [United Malays National Organization] division. Datuk Sri Dr Mahathir, who is also UMNO president, also reminded the people that in such a situation, it would be difficult for them to reelect a new government line the Barisan Nasional which upheld the progress of democracy. [Text] [Kuala Lumpur International Service in English 0600 GMT 27 Jun 86 BK] /12232

CSO: 4200/1211

REPORTAGE ON CONSTITUTIONAL COMMISSION PROCEEDINGS

Approves Abolition of Paramilitary

HK150517 Manila PHILIPPINE DAILY INQUIRER in English 11 Jul 86 pp 1, 10

[By M. Ronquillo]

[Excerpt] The Constitutional Commission's [Con-Com] Committee on General Provisions yesterday approved the abolition of paramilitary units which gained notoriety during the regime of Ferdinand Marcos.

Elsewhere, the Committee on Amendments and Transitory Provisions endorsed an early election for the members of the legislature while the influential Catholic Bishops Conference of the Philippines supported the abrogation of the RP [Republic of the Philippines]--U.S. Military Bases Agreement and the adoption of a genuine land reform program.

Florangel Rosario Braid, chairman of the General Provisions Committee, said the abolition of the paramilitary units was unanimously approved by the committee's 11 members despite a last minute effort from the military to press for their retention.

Braid said the abolition of the paramilitary units will be made a part of the new Constitution's transitory provisions.

Though the transcripts of the arguments supporting the abolition of the paramilitary units were not readily available, committee members said the paramilitary units cited the Civilian Home Defense Forces (CHDF) were used by the Marcos regime and political warlords to violate human rights, terrorize political opponents and massacre innocent civilians.

The committee members set aside a claim by the military which said that paramilitary units have been in the frontline in the campaign against Communist insurgents and secessionist groups in Southern Philippines.

Braid's committee also approved the following provisions: a ban on media monopolies, the retirement of overstaying military generals, and the professionalization of the Armed Forces of the Philippines.

Nationalists May Reject Constitution

HK150403 Quezon City BUSINESS DAY in English 14 Jul 86 p 20

[By Tara S. Singh]

[Text] Davao City--Rough weather faces the Constitutional Commission [Con-Com] which is on its half-way mark of its 90 day mandate. Leaders of nationalist and cause-oriented organizations warned that they will mount a nationwide campaign for the rejection of the new Constitution if Con-Com does not adopt "nationalist provisions."

Several militant leaders told BUSINESS DAY that the Con-Com is quibbling over the abrogation of the U.S. military bases agreement, expansion of the land reform program, and restriction on the economic activities of foreigners.

The militant leaders, who did not want to be identified, include a number from the underground movement. They said at this early point, they are planning strategies for waging a massive campaign against the ratification of the new charter in the event that the nationalist provisions are not incorporated, particularly the aborgation of the U.S. military bases.

The Con-Com over the weekend was inclined to give President Corazon C. Aquino an open option on the military bases issue. Some leading Con-Com commissioners proposed that President Aquino must be given all the necessary options in negotiating for all the assistance the country needs when she goes to the United States on a state visit this September.

There are two opposing resolutions filed with the Con-Com on the military bases. One calls for the immediate abrogation of the military bases upon the ratification of the new constitution. It is authored by Commissioner Edmundo Garcia and 16 others. The other, authored by Blas Ople with 11 co-authors, provides that the U.S. military bases agreement should be terminated in its expiry date of 1991, and a new formal treaty should be renegotiated with five-year period. The option for renegotiation should not at any cost extend more than 20 years, the Ople resolution provides.

The Ople-authored resolution seems to be gaining grounds at the Con-Com. For this reason, the militant organizations are bracing up for the campaign for rejection of the new charter.

They claimed that during the Con-Com public hearings throughout the country, the people have expressed their desire for the dismantling of the U.S. military bases. They said as long as the Americans maintain military bases here, they will try to "dominate the political and economic affairs of the Filipinos."

Take the military bases out of this country, "they will stop meddling in our internal affairs," the leaders said.

Sabah Proposes Neutrality

HK080946 Manila MANILA BULLETIN in English 5 Jul 86 pp 1,9

[By Rod L. Villa, Jr.]

[Text] The Constitutional Commission (Con-Com) has voted to prevent any future Philippine "military adventurism" against the Malaysian territory of Sabah.

The Constitution farmers decided to delete "historic right and legal title" from the territorial provision of the 1971 Constitution with which claimants during the Marcos Administration had justified inclusion of Sabah within Philippine jurisdiction. Instead, they defined the country as comprising "all other territories over which the Philippines exercises sovereign jurisdiction," as proposed by Fr. Joaquin Bernas, to end protracted debates on controversial issues lasting up until Thursday night.

Meanwhile, the Con-Com received demands for the dismantling of American military bases in the country in public hearing yesterday at the old Congress on Padre Burgos. At the same time, a proposal calling for "neutrality and self-determination" gained ground at the Con-Com, with 17 members signing the resolution, needing only eight more to win a majority of the 48-member Commission.

The Con-Com members stressed the "historic right and legal title" in the territorial provision of the 1973 Charter was specified by Sabah claimants in establishing the boundaries of the Philippines.

Crispin de Castro moved to restore the controversial clause elsewhere in the new constitution, but Adolfo Azcuna led others in rejecting this on a vote of 24-8.

Hilario Davide Jr., sought to rephrase this with the clause "all claims of the Philippines in the past." But this was rejected by a 17-13 vote.

The three Muslim representatives in Con-Com, Yusup Abubakar, Domocao Alonto, and Lugum Uka, supported the Bernas amendment, saying that without it, the government would remain handicuffed in its task of promoting peace and reconciliation in Mindanao, as well as between the Philippines and Malaysia.

Others who voted for the Bernas amendment were Ople, Bernas, Azcuna, Francisco Ropdrigo, Rene Sarmiento, Felicitas Aquino, Lino Brocka, Florenz Regaldo, Jose F. Bengzon, and Ricardo Romulo. They said the new constitutional language did not affect any Philippines claims covered by public international law. They stressed it laid the basis for the government to decide whether these claims shall be pursued or not.

"We want to give the President, who conducts foreign policy, a free hand," Rodrigo said.

Those who opposed the Bernas amendment were Serafin Guingona, Roberto Concepcion, Ambrosio Padilla, and Jose D. Calderon. They held that the change in the text vitated Philippine claims.

Former Senator Lorenzo Tanada led other spokesmen of militant groups in assailing the presence of U.S. military bases here.

Others who spoke at the Con-Com hearing were Charito Planas, Prof. Dopdong Nemenzo, and Prof. Merling Magalona, both of the University of the Philippines, Merino C. Roque, of the Charismatic group, Wilfredo T. Nalda, and Resty Acapulco. They charged that the bases made the country a helpless pawn in the war among the power blocs.

The militant groups left the hearings late in the afternoon to join the demonstration in front of the U.S. Embassy on Roxas Blvd.

The presence of Tanada clamed what otherwise could have been a riotous rally which the police earlier broke up with tear gas and truncheons.

The Con-Com resolution calling for neutrality also banned the storing of nuclear and chemical weapons on Philippine territory by any foreign powers.

Seeks to Check PCGG Powers

HK150427 Manila THE NEW PHILIPPINES DAILY EXPRESS in English 12 Jul 86 pp 1, 7

[By Melchor Parale]

[Text] Constitutional Commission (Con-Com) member Joaquin Bernas, concurrently Ateneo University president, formally asked yesterday the Charter Assembly to freeze the sequestration orders of the Presidential Commission on Good Government immediately upon the ratification of the new Constitution.

The recommendation was embodied in Resolution No. 483, introduced by the Jesuit priest. Con-Com President Cecilia Munoz Palma referred it to the Committee on Amendments and Transitory Provisions of Action.

The measure, co-authored by Con-Com member Felicitas Aquino and endorsed by other members form the majority, enumerated reasons why the PCGG powers should be checked.

While acknowledging the need to recover ill-gotten wealth amassed by former President Marcos, authors of the measure said that fundamental rights and freedoms had been ignored in the PCGG exercise of powers given it by President Aquino. The proponents also expressed concern on the repercussions of the acts of the PCGG which, they said, have caused political and economic instability.

Bernas and Aquino specifically proposed to include a provision in the new Constitution freezing all sequestration orders issued by the PCGG upon the people's approval of the new charter.

The freeze provision will remain in force for as long as there is no judicial confirmation of the constitutionality of the PCGG acts. In the absence of such confirmation within one month after the ratification of the charter, all sequestration or freeze orders shall be deemed lifted or without effect.

The Committee on Amendments and Charter Provisions headed by Jose A. Suarez was asked to immediately calendar the resolution for public hearings.

Among those invited to testify were former Sen. Jovito Salonga, PCGG chairman, his deputies, as well as judicial and constitutional authorities.

Debates Police, Military Duties

HK090251 Manila THE NEWS HERALD in English 8 Jul 86 p 3

[Text] The Committee on General Provisions began deliberations yesterday on a new article on "national defense and security," which is intended to define and delineate the duties of the armed forces and the policy.

Member Crispino de Castro of the Constitutional Commission explained that the regular armed forces would be insulated against political influence and partisan politics to assure that it performs its work as guardian of the country and people.

Committee Chairman Florangel Rosario Braid called for full discussion on the other salient features of the De Castro-drafted article such as:

—There shall be no extension of service of retirable members of the armed forces except in times of war.

—The tour of duty of the armed forces Chief of Staff shall be for three years subject to extension only during national emergencies, which extension shall not be for more than one year.

—The state shall establish and maintain one police force which shall be national in scope and civilian in character and which shall be administered by and under the control of a national policy commission.

—Local officials shall have such authroity over the local police as provided by law.

—The state shall ban the formation of private armies and paramilitary forces.

Other developments:

—Representatives of multinational advertising agencies opposed a move in the General Provisions Committee to nationalize all advertising agencies and warned that many multinational advertising agencies may be forced to shut down and move out in case of nationalization.

--The Legislative Committee headed by member Hilario Davide began discussions on multisectoral representation in the 250 member unicameral legislature with members Christian Monsod and Wilfrido Villacorta proposing two different approaches on how multi-sectoral groups could be elected to the legislature. Davide called another meeting for 11 a.m. today to decide on the manner of electing sectorial representatives with member Francisco Rodrigo insisting that this procedure should be left to the new legislature.

Sessions on Human, Property Rights

HK150607 Manila MANILA BULLETIN in English 14 Jul 86 pp 1, 10

[By Rod L. Villa Jr.]

[Text] The Constitutional Commission (Con-Com) begins its plenary sessions today with debates on resolutions affirming basic human and property rights high on the agenda. One of these is a resolution to prohibit mass media monopolies as a means of democratizing media ownership and assuring the free dissemination of information.

In Davao City, meanwhile, a move to dismantle the controversial Presidential Committee on Good Government (PCGG) upon the ratification of the new Charter has gained support from Con-Com delegates conducting a public hearing there.

Over in Basilan, the selective and gradual phaseout of the Civilian Home Defense Force (CHDF) and regional autonomy based on the Tripoli Agreement were strongly recommended during another public hearing.

The Con-Com Committee on general provisions, headed by Florengel Rosario Braid, approved last week resolutions Filipinizing mass media establishments, authorizing the creation of a communication authority to preserve Filipino values and rationalize the communication industry, and providing that no individual, corporation, or association can own more than one form of media in a single market.

Commissioner Vicente B. Foz, who authored the resolution on Filipinized mass media and anti-media monopoly, said the first feature would only reenact the present provision of the 1973 Constitution providing for 100 percent Filipino ownership, management, and control of mass media.

The second feature, Foz said, seeks to prohibit a single individual, company, corporation, or association from establishing more than one television station, one radio station, or one newspaper in the same regional market, for instance, in Metro Manila. One possible exception, he said, is for a newspaper owner to publish another newspaper in another language or dialect in the same market.

However, Foz said, Metro Manila newspaper owners may each establish another newspaper or publication in another region, say in the Visayas or Mindanao. This way, he said, the provinces will benefit from the regional circulation of the newspapers. At present, he said, Metro Manila-based papers hardly reach the countryside as their circulation is concentrated in the national capital region.

Another feature of the Foz resolution would grant mass media employees the right to be part-owners or to purchase shares of stock and participate in management in the manner provided by law.

In Davao City, Con-Com members, affirming human and property rights, sought the dissolution of the PCGG upon ratification of the new Constitution.

They said basic liberties cannot be sacrificed by sequestration and the exercise of other powers of the PCGG which, they said, defile the nobility of its purpose and objectives.

Fr. Joaquin Bernas, Felicitas Aquino, and the opposition headed by Blas F. Ople will merge their respective resolutions calling for the abolition of the PCGG in a committee conference on Tuesday.

Chairman Jose Suarez of the Amendments and Transitory Provisions Committee will preside the hearing which, delegates said, aims to bury partisan lines in a bid to terminate the PCGG.

Minister Jovito Salonga, PCGG chairman, has defended the sequestration powers of the presidential body tasked to recover an estimated $20 billion worth of properties, and other assets "stolen" from the people by deposed President Ferdinand Marcos, his family, relatives and business associates.

Salonga insisted that the PCGG's vast powers were consistent with the Bill of Rights and other provisions of the Constitution. He said its creation was brought about by a campaign pledge of President Aquino as affirmed by the Freedom Constitution to ferret out and return alleged "ill-gotten" wealth to the people.

The PCGG has so far frozen "blue chip" assets and properties of 28 firms which, it claimed, were part of the Amrcos "loot." Among these firms are the San Miguel Corp., Philippine Long Distance Telephone Co., Coconut Producers Federation of the Philippines (Cocofed) and Tourist Duty Free Shops.

Some commissioners said the emerging front against the PCGG would test the leadership of Con-Com President Cecilia Munoz Palma who has demanded expeditious work to submit to the people a "pro-human rights, pro-Filipino, and pro-God Constitution" within a 90 day timetable ending 2 September.

Ople lambasted the commission for demanding to hold on to its broad powers even beyond the incumbency of President Aquino in a press conference before returning to Manila yesterday. He and Commissioner Edmund Garcia had conducted a public hearing attended by some 1,000 representatives of 18 sectors of the community who demanded stronger Bill of Rights Saturday.

"Here is an agency inferior to the presidency insisting to hold on to its office after President Aquino has pledged to renounce her vast revolutionary power and return this to the people through a new Constitution," Ople said.

He chastised Salonga's refuge in the Bill of Rights and the Constitution in enforcing sequestration and other orders, saying "this is an insult to the nation's some 40,000 lawyers, of whom there are 38 of the 48 Con-Com members."

Salonga had cited Switzerland's unilateral moves to freeze Marcos assets, as well as customs laws, in justifying the commission's campaign to regain the "stolen wealth." But, Ople said, the Swiss government's decision, although welcome, is not a state policy and does not apply to Swiss citizens. He said Salonga would "balloon the powers of the customs laws to become the powers of the PCGG, an intent that is clearly unconstitutional." He said Bernas had warned President Aquino against the memorandum empowering the PCGG to vote sequestered shares even before the ownership can be determined by the court.

The decision to ignore the advice, Ople said, may now be regarded as her first serious misstep to justify the PCGG's control of economic power by state fiat to signal the beginning of organized greed. He recalled that Marcos' order to take over private companies "was made under less auspicious circumstances."

Meanwhile, the selective and gradual phasing out of the CHDF and regional autonomy based on the Tripoli Agreement were proposed during the public hearings in Basilan.

Over 450 representatives of political parties, rebel returnees, leaders of the Tausug, Yakan, and Samal communities, small fishermen, coconut workers, and military men, attended the consultation hearings presided by Commissioner Wilfrido Villacorta.

Most of the delegates believed that the CHDF in Basilan, unlike their counterparts in other places, has had a good record in protecting the people.

Because of the proliferation of arms among civilians and the scarcity of military personal, they said, the removal of the CHDF [words indistinct].

The youth representatives called for more guarantees against abuse of public office and asked for constitutional provision to give a mandate to the Presidential Commission on Good Government.

Villacorta supported the proposal, saying that "the Salonga Commission is doing what it is mandated to do and has been fairly successful in tracing hidden wealth and other irregularities."

To Continue Day-Long Sessions

HK150445 Quezon City RADYO NG BAYAN in Tagalog 0400 GMT 15 Jul 86

[Text] The Constitutional Commission [Con-Com] will continue to hold all day sessions in order to speed up discussion and the drafting of the new Constitution. Here is a declaration by Commissioner Rustico de los Reyes on the important resolutions they discussed yesterday which included an article on the judiciary.

[Begin recording] In the committee on judiciary, the highlight of our work is to give importance to the Supreme Court, to grant it power, and we also included so called judicial councils which would recommend applicants for the jury as well as appropriations [words indistinct]. [end recording]

Laurel Warning Against Shortsightedness

HK081041 Manila THE MANILA EVENING POST in English 4 Jul 86 pp 1, 3

[Text] Vice President and Foreign Minister Salvado Laurel yesterday expressed some doubts on the new Constitution being drafted by the Constitutional Commission (Con-Com).

"There are certain items that should not be included in the new Constitution," Laurel said.

The Vice President said the Constitution framers could be drafting a Charter that is "shortening." He said the Constitution is supposed to contain fundamental principles, not the prolixity of a legal code. "They are supposed to write a basic law that is good at all times," Laurel cited, adding that "the present needs can be handled by legislation."

Laurel also stressed that "if the new Constitution is shortsighted, it will be rejected by the people in a plebiscite." "The new Constitution can discourage people from investing in the country and can even derail the government," the Vice President said.

Although Laurel recognized the presence of some notable members of the Constitutional Commission who know what a constitution ought to contain, he said he would remind them every now and then of the task they have to do.

"The Con-Com had better do something before the new Constitution is rejected by the people," Laurel added.

His elder brother, former Speaker of the House of Representatives Jose Laurel, Jr., is also a member of the Con-Com.

Laurel also called for elections of local officials and members of the legislature at the earliest time. "We cannot afford to have a system of OICS [Officers-in-charge] for too long," Laurel said. "Let the people in a true democracy decide who should be their town mayors and provincial governors." Laurel said: "Let the people have a genuine feeling that they are the true sovereign whose voice and will are paramount."

The Vice President also outlined the serious economic problems of the country which "cannot be solved by ourselves alone."

Laurel cited the $26 billion debt which is heavily taxing the limited export earnings, the empty treasury, the high unemployment rate, which is "the highest in history," and low productivity.

"We are sounding out an appeal to our allies and friends to lend us a hand in going through the economic crisis," Laurel said. He noted that to solve these economic problems, various measures are being undertaken by the Aquino government. Laurel noted that "we are reviving private initiative and weeding out corruption and inefficiency in government service." He noted that "free enterprise will not just be a slogan but a dynamic reality." "The era of crony capitalism is over and slowly we are dismantling the apparatus of too much state intervention in the economy," Laurel added.

The Vice President also corrected impressions that the present government is slow in responding to the needs of the country.

"Those who have been used to the speed with which a dictatorship would prescribe solutions to national problems must realize that the government is a democracy whose mechanism is premised on consensus and careful balancing of competing interests," Laurel said. He added that these democratic processes are time-consuming.

/12913
CSO: 4200/1229

PHILIPPINES

ILOCANO RADIO REPORTS ON SEQUESTRATION

HK050838 Laoag City National Broadcasting Corporation Radio Station DWRI in Ilocano 0400 GMT 5 Jul 86

[Excerpts] The Presidential Commission on Good Government says that it can still sequester private properties although no government funds were used in their purchase. This was proclaimed by the commissioner on good government in a TV program interview. According to Commissioner Raul Daza, such properties could be sequestered if there is evidence showing that the money used came from Marcos or associates of the ousted president.

Meanwhile, Good Government Commission Chief Jovito Salonga said that the final decision as to who will own the property will be decided by the Sandiganbayan. This measure was relayed by the good government commissioners since so many questions have been raised about bhe sequestration of toutist duty-free shops.

Rafael Recto, a former lawmaker who was one of the guests on the TV program, said that his stocks in the Coconut Bank are his personal purchases. Recto was questioning why the sequestration notice of the Coconut Bank was handed to them on the very day of the sequestration of the shares. DAZA admitted that due process was not followed in the case of the sequestration of the Coconut Bank, although according to him, it might take 2 months for the commission to know the real owner of the stock if they followed due process. He added that there is a possibility of change of ownership of a different name of the questionable shares of the Coconut Bank if there were no measure taken by the Good Government Commission.

/9274
CSO: 4211/70a

PHILIPPINES

BRIEFS

CANADA FUND FOR NEGROS SUGAR WORKERS--Canada will offer almost $1 million for sugar workers, impoverished women and children of Negros. This was announced by Canadian External Affairs Secretary Joe Clark in his talks with Negros officials during his visit there. Clark said that the funds will be used to finance agricultural projects and aid for impoverished sugar workers who earned only one dollar or 20 pesos each day. According to a Canadian official, the fund will be released in the next 2 months. The Negros economy has suffered immensely since the decline of world sugar prices. [Text] [Quezon City Radyo ng Bayan in Tagalog 0400 GMT 1 Jul 86 HK] /9274

LAUREL VISITS EUROPE--Vice President Salvador Laurel is due to leave for Spain, Belgium, and West Germany on Saturday [5 July]. A spokesman for the minister of foreign affairs announced that Laurel's visit to Spain is to expand Philippine trade with the country. Spanish Foreign Minister Francisco Fernandez Ordonez was one of the first foreign dignitaries to meet with President Corazon Aquino following the ouster of former President Marcos. In Belgium, Laurel will follow up on the EEC's promise to provide aid to the Philippines. The spokesman added that the visit to Bonn, West Germany, is also connected with [a] request for assistance to the country. [Text] [Quezon City Radyo ng Bayan in Tagalog 0800 GMT 2 Jul 86 HK] /9274

60 KIDNAPPED LOGGERS RESCUED--Soldiers rescued 60 logging workmen kidnapped by men believed to belong to the Moro Islamic Liberation Front, or MILF, in Maitum, Souhh Cotobato. Two rebels were killed in the rescue operation mounted by the (723d) Infantry Battalion led by Lieutenant (Colindo Luzviminda). The kidnap victims were all employees of the Bayanihan logging company. The kidnappers demanded a ransom of 1 million pesos, but it was learned that the amount was never paid. [Text] [Quezon City Radyo ng Bayan in Tagalog 0400 GMT 2 Jul 86 HK] /9274

NUCLEAR POWER PLANT COMMITTEE MEETING--Presidential spokesman Rene Saguisag convened his committee to discuss the problems of the Bataan Nuclear Plant. According to Saguisag, the government's debts incurred over the plant remain at 1.3 billion dollars with annual interest of 120 million dollars. According to Saguisag, when the time comes for the next payment of the interest, the case may have been brought to the courts. He said that his committee is studying the sale of the plant's spare parts in order to help the country's economic problems. [Text] [Quezon City Radyo ng Bayan in Tagalog 0700 GMT 3 Jul 86] /9274

AQUINO ADDRESSES GRADUATES--President Corazon Aquino asked graduates of th National Defense College of the Philippines to bear in mind the the armed forces must be the confidence of the people. Addressing the commencement ceremony at Fort Bonifacio yesterday, the president also stressed the importance of mutual respect between the civilians and the military. According to her, it would be very damaging to forget the knowledge learned from the college and from events taking place at present. [Text] [Quezon City Radyo ng Bayan in Tagalog 0400 GMT 4 Jul 86 HK] /9274

FEDERAL FORM OF GOVERNMENT SOUGHT--Leaders of cultural minorities asked the Constitutional Commission to endorse a federal form of government which will undertake the regionalization or political subdivision of the country and thereby grant local autonomy to the various regions. Jose Nolledo of the committee on local government said his committee will submit a report on cultural minorities and their recommendations. Some 50 representatives from different cultural minorities' organizations expressed their sentiments to the Con-Com. A proposal from the Bangsa Moro [Islamic Nation] people's constitution will also be submitted for study by the Con-Com. [Text] [Manila Far East Broadcasting Company in Tagalog 1100 GMT 3 Jul 86 HK] /9274

PIMENTAL ON EXPANSION OF U.S.-RP TRADE--Local Government Minister Aquilino Pimental stressed the need for the United States to expand trade with the Philippines in order to hasten the economic recovery program of the Philippines. In a speech, Pimentel said the expansion of trade and foreign investment will speed up the country's economic recovery. He also emphasized to the Americans that the Philippines' economic recovery program is based on its export trade and, the United States being the country's No 1 trading partner, the U.S. has the responsibility to assist her. Pimentel also called on American businessmen to open up their markets for traditional and nontraditional export commodities from the Philippines to further promote her export industries. [Text] [Manila Far East Broadcasting Company in Tagalog 1100 GMT 3 Jul 86 HK] /9274

LEGALIZATION OF GUN INDUSTRY--Military authorities will meet with leaders of the gun industry in Danao City next week in order to discuss possibility of legalizing the industry. According to Philippine Constabulary-Integrated National Police, Regional Command 7 Chief Colonel Edgardo Abenina, he is in favor of legalizing the gun industry as another source of government revenue. The Armed Forces may also profit from this move, as it could help the military manufacture its own weapons with local material, Abenina added. The proposal was put forward by Deputy Minister of Local Governments (Nick Tadaluz) after meeting with some 20 gun manufacturers who held a demonstration last week seeking government assistance. [Text] [Manila Far East Broadcasting Company in Tagalog 1000 GMT 2 Jul 86 HK] /9274

TASK FORCE ON YOUTH PROBLEMS--President Corazon Aquino set up an interagency task force which will draw up a national program to deal with all problems and services for the welfare of Philippine youth. The task force, composed of 12 organizations from the government and the private sector, will be charged with drawing up a program to enlighten the public on the problems of abuse and exploitation of children. The task force also aims to protect Philippine youth from abuses, bad influences, and other factors affecting their physical, mental, and emotional condition. Among the members of the task foree are Samahan ng [words indistinct], Catholic Women's League, [words indistinct], and National Council of Churches in the Philippines. June 1986 to May 1987 was designated as the year of protection of exploited Filipino children. [Text] [Manila Far East Broadcasting Company in Tagalog 1000 GMT 3 Jul 86 HK] /9274

SPANISH ECONOMIC ASSISTANCE--Spain has promised to provide economic aid to the Philippines. Spanish Prime Minister Felipe Gonzales made the promise in his meeting with Vice President Salvador Laurel. The Foreign Ministry announced that their talks dealt with political cultural and economic issues. The Spanish leader expressed desire for closer relations with the Philippines. Laurel thanked Gonzales for his support for the return of democracy in the Philippines. [Text] [Manila Far East Broadcasting Company in Tagalog 1100 GMT 8 Jul 86 HK] /9274

CSO: 4211/70a

SPK REPORTS SISTERLY TIES WITH SRV PROVINCES

BK261319 Phnom Penh SPK in English 1116 GMT 26 Jun 86

[Text] Phnom Penh SPK 26 June--To date, Kampuchean provinces and cities have established bilateral sisterly relations with many Vietnamese provinces and cities, especially in Southern Vietnam.

This cooperation, which started immediately after the overthrow of the Pol Pot regime chiefly to help the Kampchean people tide over the acute post-liberation shortages, has gradually assumed a more and more comprehensive and systematic character, covering many fields of the economy and also scientific and technological activities.

Annual economic cooperation plans and contracts have been signed by the two sides on the basis of equality, mutual interests and respect for each country's independence and material resources of each side. Hundreds of industrial, agricultural and forestrial projects have been set up in Kampuchea with assistance from sister provinces in Vietnam.

The Kampuchean province of Ratanakiri and Nghia Binh Province of Vietnam have signed contracts on exploiting and processing rubber and forest products in the former province. Ratanakiri is also cooperating with the Qui Nhon Rubber Enterprise (Vietnam) in the exploitation of from 500-100 ha of rubber. The area to be covered by this cooperation plan is expected to reach 3,100 or 4,000 ha in the coming years.

Stung Treng Province of Kampuchea is being helped by the Vietnamese province of Phu Khanh to develop its forestry and aquatic product industry. Last year, kearly 20 enterprises or farms started operation.

Stung Treng Province has exchanged its agricultural products for cement, iron and electrical equipment from Phu Khanh Province of Vietnam.

Svay Rieng Province has received many cadres from the agricultural service of Long An Province (Vietnam), who came to help Svang Rieng change the single crop rice farming practice to double-crop farming.

With the help of the Ministries of Transport and Communication of the two countries, the Vietnamese province of Darlac is going to build a 180-km road linking from Mondolkiri of Kampuchea to Buon Ma Thuot (Vietnam) to facilitate the Kampuchean provinces forestrial development and its export industry.

Battambang Province is also being helped by central Vietnam province of Quang Nam-Da Nang to develop education. Scores of lecturers have been sent to train Kampuchean teachers in natural sciences.

Preah Vihear Province, with the assistance of Thuan Hai Province (central Vietnam), has build a 100-bed provincial hsopital, 7 district infirmaries and 40 village dispensaries and stepped up the disease-prevention movement.

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CSO: 4200/1198

PEOPLE'S REPUBLIC OF KAMPUCHEA

CHEA SIM RECEIVES ALBANIAN TRADE UNION DELEGATION

BK031236 Phnom Peny SPK in English 1118 GMT 3 Jul 86

[Text] Phnom Penh SPK 3 July--Chea Sim, chairman of both the National Assembly and the National Council of the United Front for Construction and Defence of the Kampuchean Fatherland, received Thursday morning here the visiting delegation of the Central Council of Trade Unions of Albania led by Secretary Shinast Zenelaj.

Chea Sim, also Politburo member of the People's Revolutionary Party of Kampuchea Central Committee, briefed his guests on the all-round achievements recorded by the Kampuchean people over the past 7 years, particularly the military victory in the 1984-85 dry season over the Polpotists, Sonsannians and Sihanoukists, whose hide-outs along the Kampuchean-Thai border were wiped out. He also told them of the success of the Fifth Congress of the PRPK held at the end of 1985.

"I strongly believed that the Albanian delegation's visit here is a contribution to developing and strengthening the friendship and solidarity between our two peoples, especially our two trade unions," said the Kampuchean leader, adding: "We profoundly thanked the party, the government, the people and the working class of Albania for their support and assistance to the Kampuchean revolution."

Secretary Shinast Zenelaj, for his part, expressed his joy at the exploits in all fields scored by the Kampuchean people, under the PRPK's leadership and said: "I am convinced that the Kampuchean people will score more successes in their national construction and defence. The Albanian people always side with the heroic Kampuchean people in their struggle against their enemy's dark schemes to impede the revival of the Kampuchean people."

The delegation left Phnom Penh on the same day. While in Kampuchea, it visited the Tuol Sleng Museum of Genocide, the former royal palace, the National Musuem, the "Cuu Long Rose" Orphanage, the Tuol Tampung Market and the car tyre factory in Phnom Penh.

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CSO: 4200/1198

MOSCOW CITY GIFTS PRESENTED TO PHNOM PENH IN CEREMONY

BK071433 Phnom Penh Domestic Service in Cambodian 1300 GMT 7 Jul 86

[Text] A ceremony was held at the office of the Phnom Penh municipal people's revolutionary committee on the morning of 5 July to hand over gifts from the Moscow city committee. The gifts included 138 metric tons of cement and 12 metric tons of materials for the water works authorities.

On this occasion, Soviet Embassy representative Comrade (Blonskiy) stressed the steadily growing development of Soviet-Cambodian relations and cooperation. In particular, Phnom Penh has continuously strengthened and expanded relations and cooperation in the cultural, technical, and scientific sectors with Moscow city.

In his reply, Comrade Thong Khon, alternate member of the KPRP Central Committee and chairman of the municipal people's revolutionary committee, expressed deep thanks to the Moscow city executive committee for assisting Phnom Penh residents in restoring their city, badly damaged by the genocidal gang. He stressed that all results and the steady growth of the Cambodian revolution over the past nearly 8 years cannot be separated from the wholehearted assistance of the parties, government, and peoples of Vietnam, Laos, the Soviet Union, and other fraternal socialist countries.

/9274
CSO: 4212/89

SPK INTERVIEWS INDIAN DIPLOMAT ON COOPERATION

BK071314 Phnom Penh SPK in English 1108 GMT 7 Jul 86

[All quotation marks as received]

[Text] Phnom Penh SPK 7 July--"Since India's recognition of the People's Republic of Kampuchea on 7 July 1980, we have steadily increased bilateral and mutual cooperation between the two countries," said A.K. Pandey, Indian charge d'affaires to Kampuchea.

In an exclusive interview with SPK, the Indian diplomat said that a team from India had visited Kampuchea to detect possibilities for cooperation in various domains between the two countries. Emergency medical supplies, he added, were sent to Kampuchea and distributed to the people here. One consignment of medicine reached here in March which I handed over to the Kampuchean Government. A medical team has also been in Kampuchea since 1981-82. It works in districts and provinces rendering assistance to the people who were in need of medical assistance. Recently we also have reached an agreement on setting up another medical team to restore a hospital in Svay Rieng Province, which is expected to start at the end of this year. School uniforms and other materials have also been given to the Kampuchean Government.

Mr A.K. Pandey continued: "Most recently India has signed an agreement on Angkor Vat and the work will be beginning quite soon. Angkor Vat is a very beautiful and big temple constructed by the Kampuchean people many centuries ago. Despite all the ravages it is still strong but needs some minor repair and conservation work. We are confident that once the Indian team begins this work then the Angkor temple will be brought back to its original grandeur. We hope a lot of work will be involved and the Kampuchean and indian teams will together work in this field and it will be a symbol of our good cooperation. We are emotionally attached to this project because it is also a symbol of peace and similar culture that links our two peoples. I know that our team will begin its work in October.

"We have also received many students from Kampuchea, who studied journalism and English in India. Now, we are also planning to receive some students from Kampuchea in the fields of art and drama, agriculture, culture, and rural development. So we have [word indistinct] good history of cooperation. I am sure that it will be increased. There will be more and more mutually beneficial contact between the two peoples." He concluded by saying that the Indian people always side with the Kampuchean people in the latter's struggle to live in peace and without genocide.

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CSO: 4200/1198

CHEA SOTH ATTENDS CLOSING OF ADMINISTRATIVE COURSE

BK010322 Phnom Penh Domestic Service in Cambodian 1300 GMT 30 Jun 86

[Text] On the afternoon of 27 June at the administration and law school, a ceremony was organized to conclude the training course for the (?9th) batch of administrative staff under the chairmanship of Comrade Chea Soth, member of the party Central Committee Political Bureau, vice chairman of the Council of Ministers, and planning minister.- Speaking on the occasion, Comrade Chea Soth highly appreciated the brilliant results and achievements of the training course. The comrade called on all trainees to give this knowledge a concrete form, with improvisation in disseminating the party's political lines among the masses. Furthermore, efforts should be made to temper cadres' personality with the revolutionary character to serve as a good example for the people, leading them to abide by the law. Comrade Chea Soth stressed that all trainees should pay attention to the people's living standards, respect the people's democratic rights, and create conditions for the people to exercise their right as masters of the country's destiny for the cause of building and defending the fatherland.

/9274
CSO: 4212/89

CHEA SIM VISITS KANDAL STOENG DISTRICT

BK031525 Phnom Penh Domestic Service in Cambodian 1300 GMT 3 Jul 86

[Text] To mark the 35th anniversary of the founding of the KPRP, on 1 July a high-ranking party, state, and front delegation led by Comrade Chea Sim, member of the KPRP Central Committee Political Bureau and chairman of the National Assembly and of the KUFNCD National Council, paid a visit to Kandal Stoeng District, Kandal Province, and distributed gifts, such as children's clothings, note books, pencils, cigarettes, and scarves, to the people and children.

Comrade Chairman Chea Sim praised the district party committee and people's revolution ary committee, school director, teaching personnel, students, and people from all solidarity groups for wholeheartedly participating in the restoration and development of the economic, social, and cultural structures, contributing to national defense and reconstruction efforts. Regarding the maneuvers of the enemy, the comrade chairman stressed that the Pol Pot-Son Sann-Sihanouk traitors continued to oppose the Cambodian revolution, but they suffered one setback after another at the hands of our army and people throughout the country who are united as a single body and who enjoy the close cooperation of the Vietnamese volunteer army, making the Cambodian revolution develop and grow stronger every day.

In conclusion, he urged our party committee, authorities, and people in Kandal Stoeng District to strive hard to fulfill the triple revolutionary task, carrying out successfully circular No 16, attacking the enemy, persuading the misled people to return, fulfilling rice-purchasing plan, increasing rice production in 1986, and participating in recruiting cadres, party members, and KPRAF combatants in accordance with the advice of the comrade general secretary of the party Central Committee at the meeting marking the 35th founding day of the KPRP.

/9274
CSO: 4212/89

PEOPLE'S REPUBLIC OF KAMPUCHEA

YOS SON, YIT KIMSENG ATTEND PEACE SEMINAR

BK081303 Phnom Penh SPK in Engligh 1123 GMT 8 Jul 86

[Text] Phnom Penh SPK 8 July--A seminar on the struggle for peace was held in Phnom Penh Saturday by the Kampuchea Peace Committee.

Present at the seminar, among others, were Yos Son, member of the People's Revolutionary Party of Kampuchea Central Committee and vice president of its Commission for Internal Relations; and Valeriy Maidannik, military attache to the Soviet Embassy.

Speaking to the participants, Yit Kimseng, minister of public health and president of the Kampuchea Peace Committee, recalled the work done by the world peace movement against wars and imperialism for peace in the world.

He condemned the perfidious moves of the imperialists with the United States as the ringleader. The moves, he stressed, were aimed at creating confrontation, tension and wars in all parts of the world and stepping up the arms race even in space, thus pushing mankind to the brink of a nuclear holocaust.

The speaker welcomed all the Soviet peace proposals which, he said, have demonstrated the socialist countries goodwill and enjoyed the worldwide support. Those proposals, he added, have also reflected the world peoples aspiration to live in peace.

Yit Kimseng attributed the Kampuchean peoples rivival and all-round achievements in the past 7 years, partly to the consolidation of peace in the region and the world as a whole.

The struggle for peace is the struggle against imperialism, he concluded.

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CSO: 4200/1198

PEOPLE'S REPUBLIC OF KAMPUCHEA

REPORT ON AGRICULTURAL DEVELOPMENTS 23-29 JUNE

BK301152 [Editorial Report] Cambodian media monitored by Bangkok Bureau carried the following reports on agricultural developments in Cambodia during the reporting period 23-29 June:

National level: Phnom Penh SPK in English at 1133 GMT on 23 June transmits a report saying that by mid-June, peasants across the country had plowed 215,200 hectares of land or 12 percent of the plan and planted 3,200 hectares with vegetables, 8,600 hectares with sesame, 28,100 hectares with peanuts, and 1,650 hectares with sugar cane. The report also says that this year, 24,300 hectares of land have been reclaimed and that in the last dry season 111,000 hectares of rice were harvested with an average yield of more than 2 metric tons per hectare. In another report in French transmitted at 0428 GMT on 25 June, SPK adds that by the 1st 2 weeks in June, peasants throughout the country had planted 3,250 hectares of jute and that Kandal and Kompong Cham Provinces had planted more than 10,000 hectares and 9,000 hectares of corn respectively. Phnom Penh Domestic Service in Cambodian at 0430 GMT on 25 June reports that by 12 June peasants across the country had sowed almost 18,700 hectares of rice and broadcast 71,400 hectares of floating rice.

Kompong Cham Province: At 0430 GMT on 23 June the radio reports that by early June more than 9,800 metric tons of rice, nearly 1,300 metric tons of soybean, and 30 metric tons of mung bean had been bought from local peasants. In another report broadcast at 1300 GMT on 24 June the radio says that in May peasants in Prey Chhor District sold almost 34 metric tons of surplus paddy to the state. According to SPK in English at 1123 GMT on 26 June, by mid-June peasants in Stoeng Trang District had tilled 450 hectares of land, raised rice seedlings on 280 hectares, transplanted rice on 140 hectares, and put 1,300 hectares under rice by dibbling. The report adds that 1,870 hectares have been covered with such subsidiary crops as corn, soybean, peanuts, and sesame and another 100 hectares with sugar cane and jute. At 1300 GMT on 27 June the radio reports that by 29 May peasants in O Reang Euv District had planted more than 500 hectares of corn, nearly 90 hectares of tapioca, and nearly 300 hectares of beans. In another report broadcast at 0430 GMT on 28 June, the radio says that by the end of May peasants in Tbong Khmum District had planted more than 400 hectares of corn, nearly 200 hectares of cassava, almost 500 hectares of beans, 20 hectares of sugar cane, and many hectares of subsidiary crops.

Kompong Speu Province: At 1300 GMT on 23 June the radio reports that by mid-June peasants in Samraong Tong District had tilled more than 860 hectares of rice, and planted more than 260 hectares of subsidiary crops. According to SPK in English at 1103 GMT on 23 June, by the beginning of June peasants in the province had tilled 7,570 hectares of the planned 78,000 hectares earmarked for the monsoon rice; sowed 2,520 hectares of rice, including 1,100 hectares of IR-36 rice; and put 700 hectares under rice by dibbling and transplanting. At 1300 GMT on 27 June, the radio reports that by mid-June peasants in Bar Set District had tilled more than 3,000 hectares of land, sowed nearly 650 hectares of rice, transplanted nearly 170 hectares of seedlings, and planted more than 700 hectares of seconeary crops. According to a report by SPK in French at 1131 GMT on 29 June, peasants in Phnum Srouch District during the first 5 months of this year tilled 370 hectares of land, of which 250 hectares have already been planted. The report adds that during the same period workers of the provincial forestry service produced 41,000 cubic meters of timber, 3,260 cubic meters of firewood, and 60 metric tons of charcoal. The report recalls that by the end of May, peasants in the province had sold some 7,700 metric tons of paddy, 1,030 metric tons of palm sugar, 58 metric tons of kapok, and some other forestry products to the state. By early June, of the 132,500 head of cattle in the province, 46,700 had been vaccinated against various diseases, adds the report.

Kandal Province: At 1300 GMT on 23 June, the radio reports that by the 2d week of June, peasants in Lvea Em District had planted almost 1,400 hectares of corn, or almost 90 percent of the plan. In a report in French at 0428 GMT on 25 June, SPK says that by mid-June peasants in the same district had sold to the state more than 200 metric tons of paddy and more than 20 metric tons of beans. At 0430 GMT on 26 June, the radio reports that by mid-June, peasants in Ponhea Loe District had sold more than 138 metric tons of paddy to the state. In another report broadcast at 2300 GMT on 28 June, the radio says that by mid-June, peasants in this district had tilled 250 hectares of land, sowed 9 hectares of IR-36 rice, and broadcast 20 hectares of rice.

Stung Treng Province: At 0430 GMT on 25 June, the radio reports that at a meeting in the province, it was reported that in the last rainy season peasants sold more than 600 metric tons of paddy and more than 107 metric tons of beans to the state.

Kompong Thom Province: In a report broadcast at 0430 GMT on 27 June, the radio says that by 28 May peasants in Kompong Svay District had sowed more than 5,700 hectares of floating rice, more than 300 hectares of early rice, and more than 500 hectares of highland rice and transplanted almost 80 hectares of rice.

Svay Rieng Province: According to the radio at 1300 GMT on 29 June, peasants in Romeas Hek District have so far sold 530 metric tons of paddy to the state.

Kompong Chhnang Province: In a report in French transmitted at 0428 GMT on 25 June SPK says that by mid-June peasants in the province had tilled almost 7,000 hectares of land; planted 5,500 hectares with various types of rice and 5,000 hectares of floating rice; and put 677 hectares under corn, potato, and beans, 84 hectares under jute, and 56 hectares under peanuts. The report also says that the local agricultural service had provided 18 motorpumps, 18,700 liters of insecticides, and 80 metric tons of chemical fertilizers to the peasants. The report recalls that peasants in the province have also reclaimed 1,878 hectares of land. In another report in French transmitted at 0355 GMT on 29 June, SPK says that in the last fishing season more than 11,000 metric tons of fish were caught; more than 170 metric tons of smoked fish, 460 metric tons of dry fish, 438 metric tons of fish paste, and 1,030 metric tons of fish sauce were produced. In the same report, SPK says that peasants in Baribo District have so far sold more than 400 metric tons of surplus paddy to the state.

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CSO: 4212/89

PEOPLE'S REPUBLIC OF KAMPUCHEA

REPORT ON AGRICULTURAL DEVELOPMENTS 30 JUNE-6 JULY

BK070837 [Editorial Report] Cambodian media monitored by Bangkok Bureau carried the following reports on agricultural developments in Cambodia during the reporting period 30 June-6 July.

Kompong Thom Province: Phnom Penh Domestic Service in Cambodian at 0430 GMT on 30 June reports that by 21 May, nearly 500 metric tons of rice had been bought from peasants in the province who also paid 90 metric tons of rice in patriotic contribution.

Kompong Cham Province: Phnom Penh SPK in French at 0400 GMT on 30 June reports that by mid-June, peasants in Stoeng Trang District had tilled more than 450 hectares of land; sowed 280 hectares of rice; and transplanted another 1,400 hectares. The report adds that 620 hectares of peanuts, 770 hectares of sesame, and other subsidiary crops were also planted. In Dambe District, the SPK report says, peasants had tilled 215 hectares of land; sowed 230 hectares of rice; and planted 175 hectares of slash-and-burn rice and 900 hectares of subsidiary crops. The report adds that the provincial agricultural service has so far provided various districts with 38 metric tons of rice seed and 750 metric tons of chemical fertilizers. The report adds that by the third week of June, peasants in Tbong Khmum District had sold to the state more than 1,200 metric tons of paddy, 127 metric tons of soybean, and 16 metric tons of sesame. In another report in French transmitted at 0400 GMT on 2 June SPK says that by early June peasants in Chamka Leu District had tilled more than 760 hectares of land; sowed 500 hectares of rice; transplanted another 92 hectares; and planted more than 5,060 hectares of beans, 1,036 hectares of sesame, 397 hectares of corn, and 19 hectares of peanut. The report adds that the local agricultural service provided 40 metric tons of chemical fertilizers and some agricultural implements to peasants. According to a report carried by Phnom Penh Domestic Service in Cambodian at 0430 GMT on 1 July, by 16 June peasants in Ponhea Krek District had sold to the state more than 1,000 metric tons of paddy and almost 20 metric tons of mung bean. SPK in French at 0434 GMT on 4 July reports that during the first half of this year, 5,700 metric tons of rubber crepe have been produced in the country. The report also says that by the end of last month, the Vietnamese factory at Vinh Hai assisted Cambodia in treating 200 metric tons of rubber crepe. At 0430 GMT on 2 July, Phnom Penh Domestic Service reports that by 14 June, peasants in the province had sold to the state nearly 1,040 metric tons of paddy and almost 1,350 metric tons of various crops and paid more than 2,700 metric tons of paddy in patriotic contribution. In another report broadcast at 1300 GMT on 3 July the radio reports that by mid-June, peasants in O Reang Euv District had sold more than 660 metric tons of paddy to the state and paid more than 42 metric tons in patriotic contribution.

Takeo Province: At 0430 GMT on 2 July, Phnom Penh Domestic Service says that in the 1986 rainy season Bati District plans to grow 22,000 hectares of rice and that so far 728 hectares of early rice have been planted. In a report broadcast at 0430 GMT on 6 July, the radio says that by the end of June, peasants in Kaoh Andet District had tilled more than 8,000 hectares of land; broadcast more than 5,000 hectares of floating rice; sowed almost 40 hectares of rice; and transplanted almost another 200 hectares.

Kampot Province: At 0430 GMT on 2 July Phnom Penh Domestic Service reports that by mid-June peasants in Banteay Meas District had retilled 4,500 hectares of land; sowed more than 800 hectares of various types of rice; and transplanted 2,000 hectares of early rice.

Kompong Speu Province: According to Phnom Penh Domestic Service at 0430 GMT on 3 July, by mid-June, peasants in Phnum Sruoch District had retilled more than 700 hectares of land; sowed 185 hectares of rice; and broadcast and transplanted almost another 300 hectares.

Kompong Chhnang Province: At 1300 GMT on 4 July, the radio reports that 3,400 metric tons of paddy had been bought from peasants in the province who also paid 1,400 metric tons in patriotic contribution.

Siem Reap-Oddar Meanchey Province--The radio reports at 0430 GMT on 5 July that by early May, peasants in the province had sold more than 13,000 metric tons of paddy to the state. According to SPK in a report transmitted in English at 1114 GMT on 6 July, in the just-ended fishing season from October 1985 to April 1986, solidarity fishing groups in the province caught 7,610 metric tons of fish.

Kandal Province: According to SPK in English in a report transmitted at 1118 GMT on 4 July, by mid-June peasants in the province had tilled more than 20,000 hectares of land and put 10,480 hectares under rice, including 3,700 hectares of floating rice. The report adds that 13,313 hectares of corn 1,600 hectares of sesame, 90 hectares of bean, and 120 hectares of cassava had also been planted. The agricultural service in the province has provided 375 metric tons of chemical fertilizers to the peasants who have also reclaimed more than 5,290 hectares of land, concludes the report. In a report in French transmitted at 0401 GMT on 5 July, SPK says that peasants in Phnom Penh District have so far planted 80 percent of the area earmarked for cultivation, including 1,343 hectares of intensive crops. The report also says that there are 23,000 cattle in the district and concludes by saying that, so far, 696 metric tons of paddy and 315 metric tons of palm sugar have been sold to the state.

Prey Veng Province: According to SPK in English at 1109 GMT on 5 July, during the first half of this year, peasants in the province had tilled 25,000 hectares of land and put 11,500 hectares under rice and more than 4,000 hectares under subsidiary and industrial crops; 1,100 hectares of land have also been reclaimed.

Battambang Province: SPK in English at 1109 GMT on 5 July reports that by mid-June, peasants in the province had tilled 4,200 hectares of land and put 1,300 hectares under rice; 18 metric tons of chemical fertilizers have been provided to the peasants.

Kompong Chhnang Province: In a report in English transmitted at 1107 GMT on 3 July, SPK says that by mid-June, peasants in the province had tilled 7,000 hectares of land and sowed more than 770 hectares of rice. The report adds that 5,430 hectares of rice have also been broadcast and 1,800 hectares of land reclaimed.

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CSO: 4212/89

PEOPLE'S REPUBLIC OF KAMPUCHEA

BRIEFS

BOU THANG GREETS CSSR MINISTER--Comrade Bou Thang, PRK minister of national defense, has sent a congratulatory message to Comrade General Milan Vaclavik on his reappointment as the defense minister of the Czechoslovak Socialist Republic. The message noted: Dear comrade minister: On behalf of cadres and combatants of the KPRAF and in my own name, we would like to extend our warmest congratulations and best wishes to you on the occasion of your being reappointed minister of national defense of the CSSR. We are convinced that the relations of friendship and solidarity between our two people and armies of Cambodia and Czechoslovakia will further strengthen and develop in our common interest of peace and socialism. Once again, we wish you good health, long life, and greater victories in your noble mission. Please accept our sincere regards. [Text] [Phnom Penh Domestic Service in Cambodian 1200 GMT 2 Jul 86 BK] /9274

BOU THANG GREETS SOVIET MINISTER--Comrade Bou Thang, PRK minister of national defense, recently sent a greetings message to Comrade Marshal Sokholov, USSR minister of defense, on Marshal Sokholov's 75th birthday. The message noted: Dear comrade minister: On behalf of cadres and combatants of the KPRAF and in my own name, we would like to extent our warmest greetings and best wishes to you on your 75th birthday. May you enjoy good health, long life, and happines. We are convinced that the relations of friendship, solidarity, and all-round cooperation between our two people and armies of Cambodia and the Soviet Union will further strengthen and develop in our common interest of peace and socialism. Once again, we wish you greater victories in your noble mission. Please accept our sincere regards. [Text] [Phnom Penh Domestic Service in Cambodian 1200 GMT 2 Jul 86 BK] /9274

258 ENEMY SOLDIERS KILEED, WOUNDED--According to a tally of the results of battles initiated everywhere by our armed forces and Vietnamese Army volunteers in the past week, 258 enemy soldiers were put out of action, including 133 killed on the spot, 48 captured, and 77 persuaded to return to the fold. We seized 102 assorted weapons, 1 metric tons of support shells, and a large quantity of war materiel. [Excerpt] [From "Weekly Roundup of Salient Events" feature] [Phnom Penh Domestic Service in Cambodian 1200 GMT 3 Jul 86 BK] /9274

DELEGATION VISITS VIETNAM--Between 10 and 24 June, a delegation from the Cambodian Propaganda and Education Department led by Comrade (Duong Luon), deputy secretary of the party committee and chairman of the Propaganda and Education Commission of Siem Reap-Oddar Meanchey Province, paid an official visit to the SRV. The Cambodian delegation worked with the Propaganda and Training Department of the CPV Central Committee and visited Hanoi and Haiphong and Quang Ninh Province. The delegation was also received by Dao Duy Tung, member of the party Central Committee and director of the Propaganda and Training Department of the CPV Central Committee. [Text] [Phnom Penh Domestic Service in Cambodian 0430 GMT 1 Jul 86 BK] /9274

RED CROSS AID DISTRIBUTION--During the first half of this year, the Red Cross of Kompong Thom Province distributed relief aid to 2,880 families of frontline combatants, fallen and disabled combatants, and workers' families living in Stoung, Kompong Svay, Santuk, Baray, Sandan Districts and the provincial seat. The aid consists of 98 metric tons of rice, canned meat, medicine, mosquito nets, blankets, clothing, candy, and some agricultural implements. [Text] [Phnom Penh Domestic Service in Cambodian 0430 GMT 1 Jul 86 BK] /9274

RECEPTION IN HUNGARY--On 16 June, the External Relations Department of the Hungarian Foreign Ministry organized a solemn ceremony at an infantry regiment in (Pek) Province to mark the KPRAF's 35th traditional day. (Sok Sophoan), acting charge d'affaires of the PRK Embassy in Hungary talked about the valiant history of the KPRAF and its victories and visited an exhibition organized by the Hungarian infantry regiment showing the development and activities of KPRAF combatants. On the evening of 18 June, the Cambodian acting charge d'affaires hosted a reception to mark the KPRAF's 35th traditional day. Among the guests present were the Hungarian deputy defense minister, first deputy chief of staff, commander of the Hungarian armed forces, and military attaches from fraternal socialist countries. [Summary] [Phnom Penh Domestic Service in Cambodian 0430 GMT 1 Jul 86 BK] /9274

DELEGATION RETURNS FROM LAOS--A delegation of the Voice of the Kampuchean People [VOKP] radio headed by Comrade Kim Yin, member of the KPRP Central Committee and director general of the VOKP returned to Phnom Penh on 1 July after successfully completing an official friendship visit to the LPDR. Greeting the delegation at Pochentong Airport were Comrade Van Sengli, deputy director general of the WOKP, and several cadres from the General Radio and Television Directorate. Lao Ambassador Extraordinary and Plenipotentiary [passage missing]. During its stay in the LPDR, the delegation was received by Comrade Silmmphon Lovansai. member of the LPRP Central Committee Political Bureau and vice chairman of the Lao Supreme People's Council. The delegation also paid a courtesy call on and gave a briefing about the Cambodian situation to cadres, personnel, and people in Sekong Province and visited a 150-kw radio station and a hydroelectric station in Nam Yeun. On the same occasion, the delegation also signed a protocol on cooperation between the Cambodian radio and television and the Lao radio and television. [Text] [Phnom Penh Domestic Service in Cambodian 0430 GMT 2 Jul 86 BK] /9274

RETURNEES IN SIEM REAP--In the first 5 months of this year 952 misled persons turned themselves in to authorities in Siem Reap-Oddar Meanchey Province, bringing along 523 weapons and a large quantity of war materiel. [Excerpt] [Phnom Penh Domestic Service in Cambodian 1300 GMT 3 Jul 86 BK] /9274

HENG SAMRIN GREETS POLISH PARTY LEADER--Comrade Heng Samrin, general secretary of the KPRP Central Committee, recently sent a congratulatory message to Comrade Wojciech Jaruzelski on his reelection as first secretary of the Central Committee of the Polish United Workers Party [PZPR]. The message noted: We are convinced that under the clear-signted leadership of the PZPR with you as its head, the communists and heroic Polish people will score new and greater victories in implementing the resolutions of the 10th PZPR congress aimed at building an advanced socialist society in Poland. We wish you good health and more brilliant victories in fulfilling your noble tasks. [Text] [Phnom Penh Domestic Service in Cambodian 0430 GMT 9 Jul 86 BK] /9274

MAT LY RETURNS FROM POLAND--The high-ranking KPRP delegation headed by Comrade Mat Ly, member of the KPRP Central Committee Political Bureau, vice chairman of the National Assembly, and chairman of the Kampuchean Federation of Trade Unions [KFTU], returned home on 7 July after successfully attending the 10th congress of the Polish United Workers Party. Greeting the delegation at Pochentong Airport were Comrade Nguon Nhel, alternate member of the party Central Committee Political Bureau and secretary of Phnom Penh city's provisional party committee; Comrade Yos Son, member of the party Central Committee and vice chairman of the Central Committee's Foreign Relations Commission; Comrade Say Siphon, alternate member of the party Central Committee and vice chairman of the KFTU standing committee; the comrade acting charge d'affaires of the Embassy of the Polish People's Republic of Cambodia, and several cadres and employees from the Foreign Ministry, KUFNCD National Council Office, and KFTU office. [Text] [Phnom Penh Domestic Service in Cambodian 0430 GMT 8 Jul 86 BK] /9274

OUTGOING BULGARIAN AMBASSADOR--Men Chhan, member of the Council of State and vice chairman of the KUFNCD National Council, on 5 July received Lyuden Damyanov, Bulgarian ambassador to the PRK, who called at the end of his mission in Cambodia. Men Chhan praised the ambassador's efforts to expand and strengthen relations between Cambodia and Bulgaria. Ambassador Damyanov thanked the PRK authorities for assisting him in his mission and voiced support of the Bulgarian party, government, and people for the Cambodian people's revolutionary cause. [Summary] [Phnom Penh Domestic Service in Cambodian 0430 GMT 7 Jul 86 BK] /9274

KOMPONG CHHNANG FORCES' ACTIVITIES--During the 1st half of this year, armed forces in Kompong Chhnang Province launched many operations against enemies, killing 59 and wounding 32, taking 15 prisoners, and seizing 62 weapons and a large amount of war material. [Excerpt] [Phnom Penh Domestic Service in Cambodian 0430 GMT 6 Jul 86 BK] /9274

MISLED PERSONS RETURN--During the 1st half of this year, 801 misled persons surrendered to revolutionary authorities and people in Battambang Province, bringing with them 457 assorted weapons, foodstuff, and some war materiel. [Excerpt] [Phnom Penh Domestic Service in Cambodian 0430 GMT 5 Jul 86 BK] /9274

HUN SEN CONGRATULATES CSSR'S STROUGAL--Comrade Hun Sen, chairman of the PRK Council of Ministers, recently sent a message of congratulations to Comrade

Lubomir Strougal, head of government of the CSSR, on the occasion of his releection as head of the CSSR government. The message stressed: Through their fraternal friendship, close solidarity, and tireless efforts, the two parties, governments, and peoples on the basis of Marxism Leninism and proletarian internationalism are valiantly and righteously fighting to divert all of mankind from the danger of nuclear war as well as for social progress and peace. I firmly believe that the friendly relations and all-round cooperation between the CSSR and PRK will steadily develop in the interest of our two nations in the future. I wish you, comrade chairman, the best of health and more successes in your noble tasks. [Text] [Phnom Penh Domestic Service in Cambodian 0430 GMT 30 Jun 86 BK] /9274

HUN SEN CONGRATULATES CSSR'S CHNOUPEK--On the occasion of Comrade Bohuslav Chnoupek being reelected foreign minister of the CSSR, Comrade Hun Sen, PRK foreign minister, sent him a congratulatory message that says in substance: I would like to express the firm conviction that the fraternal relations of friendship and fruitful cooperation between the CSSR and the PRK will be further expanded for the benefit of our two people and for peace and socialism in the world. I would like to wish the comrade minister good health and new successes in implementing the resolutions of the 17th Congress of the CSSR Communist Party. [Text] [Phnom Penh Domestic Service in Cambodian 1300 GMT 30 Jun 86 BK] /9274

COMBAT ACTIONS IN SANQKE--During 1st half of this year, the armed forces in Sangke District of Battambang Province killed 84 Pol Pot bandits, wounded 86 others, and seized 39 weapons and a large quantity of ammunition and war materiel. They also persuaded 50 misled persons to turn themselves in to the revolutionary authorities. Those returnees brought 39 weapons for the revolutionary authorities. [Summary] [Phnom Penh Domestic Service in Cambodian 0430 GMT 28 Jun 86 BK] /9274

NEW DELHI KPRAF RECEPTION--On the night of 19 June, Comrade Sok An, PRK ambassador to India, hosted a reception in New Delhi to mark the 35th anniversary of the KPRAF and the army-people solidarity day. Present on the occasion were Comrade Hoang Anh Tuan, Vietnamese ambassador; Comrade Sali Khamsi, Lao ambassador; the military attaches of Vietnam and other fraternal socialist countries accredited to India; and representatives from various national liberation movements, including the ANC and SWAPO. Among Indian guests of honor were representatives from the Congress Party and the Communist-Marxist Party; Indian peace and solidarity organizations; the Indochinese Research Center; and Indian army commanders and journalists. This reception at the Cambodian Embassy went on in a happy and most cordial atmosphere. On the same occasion, a film entitled "Kampuchea's Rebirth" was also shown. [Text] [Phnom Penh Domestic Service in Cambodian 2300 GMT 28 Jun 86 BK] /9274

U.S. ESCALATION AGAINST NICARAGUA--Phnom Penh SPK 2 July--With the recent approval by the U.S. House of Representatives of the 100 million-dollar aid package to the Nicaraguan rebels--the Contras--the United States is escalating its military adventure against Nicaragua, an independent and sovereign state. Such aid package is also a blow to the Central America peace plan worked out by the Contadora group which consists of Mexico, Panama, Colombia and Venezula. More blatently, the Reagan administration has recently claimed its right to reject the verdict made by the International Court of Justice in the Hague. All these lie in its hostile policy toward Nicaragua. For many years now, Washington has sought to overthrow the revolutionary regime in Nicaragua. It conducted attacks against this country in 1983, the mining of a Nicaraguan port in 1984 and trade embargo against this country in 1985. The Kampuchean Government and people strongly condemn all hostile acts committed by the U.S. imperialists against Nicaragua's sovereignty and national independence, and hail the Contadora group's efforts aimed at bringing peace to Central America. The Kampuchean Government and people reaffirm their solidarity with and support for Nicaragua in its struggle against U.S. imperialism and for the national independence, sovereignty and territorial integrity. ["Escalation"--SPK headline] [Text] [Phnom Penh SPK in English 1108 GMT 2 Jul 86 BK] /12232

BULGARIA'S TUDOR ZHIVKOV GREETED--Phnom Penh SPK 4 July--Heng Samrin, general secretary of the People's Revolutionary Party of Kampuchea Central Committee and president of the State Council, has congratulated Todor Zhivkov on his reelection as chairman of the State Council of the People's Republic of Bulgaria. President Heng Samrin said in his message: "Under your clear-sighted leadership in the light of the political line taken by the 13th Congress of the Bulgarian Communist Party, the Bulgarian people will obtain new, greater successes in building a developed socialist society in Bulgaria with modern science and technology thus helping further strengthen the socialist communist and maintain peace in Balkan and the rest of the world. "I am strongly convinced that the friendship and multiform cooperation between our parties, governments and peoples will further develop," Heng Samrin concludes. [Text] [Phnom Penh SPK in English 1120 GMT 4 Jul 86 BK] /12232

CSO: 4200/1198

MILITARY INDUCTION IN CU CHI DISTRICT CRITICIZED

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 10 May 86 p 4

[Article by Thien Tra: "On the Military Induction Work in Cu Chi District"]

[Text] The people and youths of Cu Chi District cannot forget the fierce and arduous combat against the United States for national salvation. That memory has encouraged the youths in the years since the city was liberated, and thousands of youths have enthusiastically set out to enlist. But in 1985 the district failed to attain its youth recruitment norm. by the first quarter of 1985 the situation was even worse. Not a single village attained its norm and only 70.95 percent of the youth recruitment norm was attained. What was the reason?

First of all, it must be said that the party committee members and committees here have not yet paid adequate attention. Seldom do the council chairmen attend meetings held by the districts, the city, or the precincts to begin, or recapitulate experiences in, the military obligation work or the local military work. During the recent first cycle, the villages paid little attention to that work, but made the excuse of being busy with one task or another. Except for Tan Thanh Dong village, they did not organize the recapitulation of experiences. Two hundred twenty-five delegates were invited to the district Military Obligation Council to review the youth recruitment work during the first cycle of 1986, but only 29 comrades, nearly all of them village unit commanders, participated. None of the chairmen of the village military obligation councils, except for that of Phu Hoa Dong village, attended. Is it that the members of the military obligation councils are members in name only?

Because of inadequate attention to that task, the party committee echelons and committees of the villages have not firmly grasped the requirements of each youth recruitment cycle, so guidance has not been timely and tight. During the first cycle of 1986 the district military organ, serving as the staff for the party committee, issued 18 guidance documents to guide the villages in carrying out the troop recruitment work. But the district did not exercise oversight and control, so the villages also let up. The villages also failed to firmly grasp the first step in that work: making a list of youths of military obligation age. In Tan Thanh Dong Village there were 1,023 youths between the ages of 18 and 27 but only 935 were registered. In Phu Hoa Dong Village there were 903 youths, but only 626 were on the list. Because the party committee echelons did not provide continuous, close guidance, the sections, sectors, and mass organizations also did not propagandize and proselytize the families and youths to voluntarily their obligations to defend the Fatherland.

Many villages failed to arrange for the youths to understand the Military Obligation Law. If a village did so it emphasized two articles in the law: Article 29 on temporary deferments and Article 69 on the punishment of youths who evade the Military Obligation Law. The village military organs did not have the close support of the sections, sectors, and mass organizations, so when the recruit delivery phase arrived the village units "panicked" and usually took administrative measures, some of them crude. On the recruit delivery day Tan Phu Trung, Tan Thanh Dong, and Trung An villages gave the village units a "blank check."

A number of cadres have not been exemplary in this work, which has caused much confusion among the masses. There is a basis for that confusion because the sons of a few cadres are of age but remain at home.

Cu Chi District must learn from the deficiencies so that the youth recruitment work during the coming second cycle and in future years can attain good results.

5616
CSO: 4209/614

MILITARY AFFAIRS AND PUBLIC SECURITY VIETNAM

CORRUPTION IN SALE OF CEMENT CRITICIZED

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 14 May 86 p 4

[Reporter's Notes column by Tran Quang Thinh: "Paper Cement!"]

[Text] This is called "paper cement" because this cement exists only on paper. But this is not a simple administrative document but a business document, a "commodity exchange contract" between a province and Ho Chi Minh City. It reflects a way of working and doing business that is filled with red tape. Some documents are stamped with five to seven different seals, but these marketing documents are not in accord with the contracts. This causes problems for those who go to collect data, observe the situation, and read the documents. If everything is based on these documents, these written agreements, the data will not be in accord with reality. And if that data is used to analyze things, the conclusions arrived at will be very wide of the mark.

In front of us is a stack of commodity exchange agreements between nine socialist commercial units, including state-operated units and cooperatives, of a province and units of Ho Chi Minh City. These were signed during the 1st quarter of 1986. Along with the various types of goods that they have agreed to "exchange" is a striking type: cement. This is striking not only because this is a "stategic exchange commodity" but also because between the time the contract was "signed" and the time it was "implemented," after making inspections and determining everything, nothing was coordinated. The units that sell cement agreed to sell a minimum of 50 tons, and some agreed to sell as much as 500 tons, with the total amount contracted being 2,050 tons. But perhaps they were just signing to be signing, because in the end they sold a total of only 110 tons. One unit that had agreed to sell 400 tons actually sold only 30 tons. Another unit that had agreed to sell 400 tons sold only 80 tons. The other units didn't sell any.

But there is even more to say. In the beginning, we thought that they had not been able to fulfill the cement contracts because of encountering temporary difficulties. But that was not the case at all! Looking though the old records, it became obvious that this "paper cement" matter had happened over and over. In 1985, 15 units signed commodity exchange contracts and agreed to sell 3,501 tons of cement to the city. But they actually sold only 264 tons. Many other places have done the same thing. That is, they have agreed to sell goods but then failed to deliver. Some units have even signed contracts to sell 1,000 tons, but they have sold exactly...zero tons!

That is not all. In 1984, 10 units in that locality contracted to sell 2,575 tons of cement to the city. By the end of the year, they had delivered only 295 tons. One unit even provided subject material for "Commercial Laughs" because it had contracted to sell one bag of cement to three places. The province approved having the unit sell 100 tons of cement to the city in exchange for commodities. The unit contracted to deliver 260 tons to Precinct 1 and another 200 tons to both Binh Thanh and Tan Binh wards. There were only 100 tons of cement, but the unit had contracted to sell more than 600 tons!

One proverb says that "paper is very patient." Not only has this happened in the past, but there are signs that it is continuing to happen. This gives rise to a question. Both the purchaser and the seller know about this. And so why do we continue to sign commodity exchange contracts and buy and sell cement on paper? Stamped contracts are just documents for "correct cause and strong words." The "back side" of the contracts are where the buyers and sellers "calculate" things, which are not recorded in the contract and which few people know about.

If socialist commerce doesn't put a stop to such dishonest business practices soon, buy and sell according to the contracts, and state the prices openly and clearly, this will just create more loopholes that negative elements can use. And what about reestablishing order in distribution and circulation and at the markets?

11943
CSO: 4209/638

SECURITY FORCES WORK TO MAINTAIN ORDER

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 15 May 86 p 1

[Article by H. N.: "Municipal Public Security Forces Begin To Solve the Sector's Problems Based on the Ideas and Suggestions of the People's Councils and Electorate"]

[Text] After receiving the Municipal People's Council's notice on the suggestions and ideas of the electorate on matters pertaining to the duties of the municipal public security forces, the Board of Directors of the Municipal Public Security Forces instructed the Police Command Section to inspect and guide the ward and district public security forces and the offices in concentrating on solving the problems mentioned by the voters. The public security forces must have plans to maintain public order and security in the Mong bridge zone (Subprecinct 12, Precinct 4), Lane 148 between subprecincts 8 and 10 in Precinct 4, the Chong bridge zone (Subprecinct 9, Precinct 4), the Ton Dan intersection in subprecincts 10 and 4 in Precinct 4, and the Nguyen Van Troi market zone in subprecincts 22, 23, and 24 in Precinct 3. Social order in these places is in turmoil, and the people are quite upset. The security forces in precincts 4, 8 and 11 and Phu Nhuan Ward must provide household registrations for the youths in the military and the assault youths who have completed their tours of duty and returned to the city. In the past, the Municipal People's Committee guided dividing the work and decentralizing things to have the subwards register births, deaths, and marriages. The Police Command Section has instructed the ward, district, subward, and village public security forces to turn matters over to the people's committees. But to date, many of the ward, district, subward, and village people's committees have not done anything because they lack full-time cadres. The Board of Directors of the Municipal Public Security Forces has directed the ward and district public security forces to continue making proposals to the ward and district people's committees in order to carry out this work well. The Board of Directors of the Municipal Public Security Forces has also guided the ward and district public security forces and offices in concentrating on opposing speculation and illegal trading activities.

On this occasion, the director of the Municipal Public Security Forces wants to remind the ward, district, subward, and village public security forces that they must maintain regular contact with the people's councils and implement the ideas of the various echelon people's councils in their sphere of responsibility.

11943
CSO: 4209/639

EXTORTION PROBLEMS AT HANOI PORT DISCUSSED

Hanoi HANOI MOI in Vietnamese 28 May 86 p 2

[Article by Le Thuan, deputy head of the Marine Police Bureau: "Put a Stop to Extortion at Hanoi Port"]

[Text] Hanoi Port is the "stomach" of the city. This port handles large quantities of strategic commodities. For example, each month it receives tens of thousands of tons of grain for the capital and a number of other places.

With its functions, the Marine Police Bureau, together with the Hai Ba Trung Ward public security forces, has proposed and taken steps to implement a number of measures aimed at actively preventing and opposing criminal activities and negative phenomena here.

The method being used is to discuss things with the sectors that send vehicles to pick up goods at Hanoi Port and get them to implement a number of stipulations. The principal means is mobilization and organization in conjunction with punishment, with mobilization and organization being primary. The problem is very complex. Take communications, for example. On the average, about 300 vehicles come here each day to pick up goods. Each vehicle wants to pick up its goods first, and so maintaining order is a difficult struggle. Many agencies and sectors are very pleased that this situation has improved.

But recently, a new problem has arisen at the port, a problem that is causing great worry for many sectors and people. When vehicles arrive at the port to pick up goods, especially rice, money is extorted from the drivers.

On 14 April 1986, Nguyen Dinh Thong, who is with the port's 25 March Stevedoring Unit, was caught redhanded trying to extort money from the driver of a vehicle who had come to pick up goods. Thong confessed that his gang did this frequently and that this had become a "rule." Each time a driver came to pick up goods, if he wanted to get them quickly and if he wanted "nice" goods and bags that were not torn, he had to pay them a bribe. A vehicle carrying 4-5 tons had to pay 150 dong. If the driver had only 100 dong, Thong threw it back at him. Vehicles with a capacity of 8-9 tons had to pay 200 dong.

Transport Corporation No 3 frequently sent vehicles to pick up grain for shipment to the front lines. Many of the drivers became resigned to having to pay these bribes. Thong made 2,200 dong a day from 14 trucks. He and his friends spent some of the money on food and drink. They divided the rest, with each receiving 200 dong.

For vehicles from the Hanoi Grain Transport Group, Thong charged each 4-5 ton vehicle 20-30 dong. Each 8-9 ton vehicle was charged 50-100 dong. Members of Thong's gang included Cuc, Hao, Thieu, Thanh, and Hung.

A similar crime took place at 1400 hours on 22 May 1986 at port Storehouse 4. The public security forces arrested Tran Van Chung and Nguyen Ngoc Thanh, workers subordinate to the 25 March unit. The two criminals took 700 dong from drivers from Group 3. The two drivers, Vu Dinh Dat and Pham Van Muu, charged that they had been forced to pay bribes to the stevedores. If they refused, the stevedores would not unload the goods, or they would tear bags in the process in order to spill the rice. Because of this, much rice would be lost during transport. And when they reached their destination, they would have to pay compensation.

However, as mentioned above, while many people knew that this was wrong, because they didn't dare oppose this, this gradually became a "rule," a "regular fee," and a "mechanism." In the end, it was the state and the people who "paid." Because none of the drivers paid the money out of their own pocket. They got the money from their organization. This was regarded as a "negative expense."

We propose:

1. A criminal law propaganda campaign using many forms should be launched among the workers at the port and the drivers. Loudspeakers should be used to cite the good people, good work examples, accuse the criminals, and disseminate necessary stipulations.

2. Drivers and agencies with vehicles must resolutely refuse to pay bribes. The transport units all agree on this. But to do this, there must be a struggle process among the cadres and workers at the port. This is in the interests of the cadres and workers at the port. The port has many elements. The great majority of the cadres and workers are good people who have had nothing to do with the above criminal activities. If the bad elements are allowed to continue these activities, this will give a bad name to the entire organization.

3. It is also possible that policemen and public security forces at the port have covered up the activities of these criminals. We hope that everyone will watch for signs of this. The main shortcoming today is that the police do not have a lofty spirit of responsibility, and they are not determined to wage a resolute struggle against such activities. Thus, in this self-criticism and criticism campaign, we must define the responsibilities and implement effective measures to prevent and oppose these criminal activities. However, the public security forces can't solve this problem by themselves. Many sectors and people must show sympathy and provide support.

11943
CSO: 4209/634

NHAN DAN EDITORIAL ON LOCAL MILITARY WORK

BK160617 Hanoi Domestic Service in Vietnamese 2300 GMT 15 Jun 86

[16 June NHAN DAN editorial: "Satisfactorily Carry Out Local Military Work"]

[Text] Local military work--an important component of the party's military task--occupies a strategic position in the cause of building the all-people national defense and conducting the people's war for national defense. Local military work must be carried out by the entire people under the leadership of the local party organizations and under the guidance and supervision of the local administration and the local military organ concerned.

Implementing the two strategic tasks of building and defending the socialist fatherland, many areas, while striving to resolve pressing socioeconomic requirements, have given constant and attentive care to local military work. They have scored many achievements in combat, combat readiness, and combat support in the fight against the enemy's border-nibbling war and multifaceted war of sabotage. They have striven to combine economic construction with national defense and vice versa and to build an armed force comprising three categories of troops, including a regular, standardized, and modern army, and a well-trained powerful reserve force. They have fully implemented all army rear policies and have intensively and extensively instilled in the entire people a sense of national defense and the idea of organizing civil defense.

Through the diversified practice of local military work by various provinces, cities, special zones, precincts, and districts, on the in-land border line and offshore islands and on other lines in the rear, it is noted that many villages, districts, and provinces have carried out local military work satisfactorily and that they have obtained many valuable experiences on various aspects of the work.

Those northern border districts such as Vi Xuyen, Cao Loc, Muong Khuong, Trung Khanh, Muong Te, and Binh Lieu are revamping the on-site strength of their border areas. Those localities in the rear such as Long An, Tien Giang, Son Be, Dong Nai, Guang Nam-Danang, Thai Binh, Ha Nam Ninh, and Haiphong and Ho Chi Minh cities have been dynamic and creative in guiding the combination of national defense with economic construction and in providing assistance in manpower, money, morale, and materials to various localities in the northern border areas as well as to various divisional groups of army volunteers now on internationalist mission, thus being worthy of a prop and also the strategic rear area of the people's war for national defense.

These achievements and experiences obtained from the practice of local military work during the stage of national construction and defense show that to carry out local military work satisfactorily, we must firmly grasp the party's political and military lines and must rely on the strength of the people. Meanwhile, local party committee echelons, local administrations, and local military organs must uphold their political duty and must be determindd to fulfill all assigned military missions and develop their dynamism and creativity in resolving new problems arising from the current situation.

The reactionaries in the Beijing leadership, in collusion with the U.S. imperialists and other reactionary forces, are waging a border-nibbling war and multifaceted war of sabotage against our people while stepping up their activities against the Lao and Cambodian revolutions. Their schemes are very crafty and malicious. Their strategy and their hostile policy toward our people remain unchanged. Instead, they have proved to be more frenzied.

Our entire party, army, and people must increase our unity and vigilance, uphold our revolutionary heroism and our determination to achieve self-reliance and self-support, and strive to implement the two strategic tasks to successfully construct socialism and firmly defend the socialist fatherland.

To fulfill our national defense task and to build a standardized and modernized people's army, we must vigorously strengthen the all-people national defense, improve local military work, and build a firm home front. We must consistently pay attention to building a firm and comprehensive militia and self-defense forces to serve as a base for national defense and security tasks at grass roots units, strengthening a strong reserve force, and expanding and consolidating the village combat and district military fortress system, especially at the border, coastal areas, on islands, and other key regions.

We must educate and enhance the military background for people in each locality--especially the youths--coordinate with various echelons, sectors, and the local people to contribute to fulfilling vital requirements for combat and combat readiness tasks, and satisfactorily carry out policies on strengthening local rear services. All these tasks are very important and necessary.

We must firmly combine the two strategic tasks in all aspects of local military work. There are many forms and measures that we can apply to combine national defense with economic construction and vice versa; and to combine production with combat readiness. We must arrange into order all tasks relating to local military work ranging from leadership, commanding, to organization. All activities to fulfill these tasks must be clearly defined in compliance with reality, especially the new economic management system set forth by resolution of the party Central Committee eighth plenum, that is, to resolutely eliminate bureaucratic centralism and state subsidies and shift to socialist accounting and business system.

Local military work manifests the correct and creative guideline of our party's military policy. It is also the fine tradition of our people in military organizations for defeating the enemy and for national construction and defense.

Various echelons of party committees, the administration, and local military organizations must firmly grasp the party's military policy, rely on the people's strength, and consistently pay attention to and fulfill all tasks relating to local military work.

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CSO: 4209/603

BRIEFS

ILLEGAL OCCUPANTS PROSECUTED--More than 60 cases of people occupying buildings illegally have been discovered in the city. The Building and Land Service is preparing files for each case. These will be sent to the agencies and localities to have them take action against the violators. It has been suggested that the cases be brought before the collectives for review and prosecution during the self-criticism and criticism campaign. Following that, in cooperation with the agencies, the Building and Land Service will prosecute the offenders according to the law. In serious cases, the service will file lawsuits. The service is conducting investigations in order to determine how state-controlled housing is being used in the city. The cadres and people should inform the Building and Land Service, the state's judicial agencies, and the press about the illegal use of buildings, including cases in which building and land cadres and personnel accept bribes, violate the procedures and policies, or are involved in negative activities in providing housing. [Text] [Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 15 May 86 p 1] 11943

CSO: 4209/639

BERLIN DELEGATION PAYS RESPECTS TO LE DUAN

OW121701 Hanoi VNA in English 1525 GMT 12 Jul 86

[Text] Hanoi, VNA 12 July--A delegation of the Central Committee of the Socialist Unity Party of Germany (SED), the People's Chamber, the Council of State, the Council of Ministers and the National Front of the German Democratic Republic paid their last homage to Le Duan at the Vietnamese Embassy in Berlin on 11 July.

The delegation was led by Willi Stoph, member of the Political Bureau of the SED Central Committee, vice chairman of the State Council and chairman of the Council of Ministers, and Horst Sindermann, member of the Political Bureau of the SED Cnetral Committee, vice-chairman of the State Council and president of the People's Chamber.

The GDR leaders put the following entry in the condolences book: "With boundless grief, we bow to the memory of Comrade Le Duan, a friend, a comrade, an outstanding leader of the Communist Party of Vietnam and a close comrade-in-arms of President Ho Chi Minh. We remember with great emotion the great contributions of Comrade Le Duan who devoted all his life to the struggle for national liberation and socialism, for peace and understanding among nations. We will never forget his contributions to consolidating the friendship and solidarity between the two parties, states and peoples."

The same day, tens of thousands of people from different parts of the GDR came to the Vietnamese Embassy to pay their last homage to General Secretary Le Duan.

/12232
CSO: 4200/1206

SRV'S NHAN DAN RAPS JAPAN'S LPD ELECTION WIN

BK091656 Hong Xong AFP in English 1619 GMT 9 Jul 86

[Text] Hanoi, 9 July (AFP)--Vietnam Wednesday slammed Japanese Prime Minister Yasuhiro Nakasone's Liberal Democratic Party (LPD), fresh from a sweeping election victory, for its pro-American policy.

In the biggest election victory in Japan since World War II, the LDP won 300 seats in Sunday's elections for the 512-member House of Representatives.

In an article on the election results, the Vietnamese Communist Party paper NHAN DAN, said the LDP victory would enable Mr Nakasone to introduce "more and more reactionary" internal and foreign affairs policies.

Japan's policy under the conservatives has benefitted the "capitalist cliques" and strengthened military and political ties with the United States, according to NHAN DAN.

The paper added that the Washington-Tokyo "axis" posed a threat to peace and security in South East Asia.

Congratulating the Japanese Communist Party, which maintained their pre-election strength of 26 in the House of Representatives NHAN DAN described their performance as "a victory."

The daily said the poor showing of the Japan Socialist Party and the opposition was the result of divisions between the leftist parties.

The Vietnamese press frequently launch violent attacks against Japan's foreign policies, particularly its alliance with Washington, but it rarely comments on internal affairs, observers noted.

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CSO: 4200/1206

MONGOLIAN LEADERS CONGRATULATED ON NATIONAL DAY

OW111125 Hanoi VNA in English 0751 GMT 11 Jul 86

[Text] Hanoi VNA 11 July--Vietnamese party and state leaders have extended their greetings to Mongolian Party and State leaders on the 65th National Day of Mongolia today (11 July).

The message, addressed by State Council President Truong Chinh and Chairman of the Council of Ministers Pham Van Dong, to Jambyn Batmonh, general secretary of the Mongolian People's Revolutionary Party Central Committee and chairman of the Presidium of the Mongolian People's Great Hural; and Dumaagiyn Sodnom, chairman of the Council of Ministers, said:

"Over the past 65 years, under the correct leadership of the Mongolian People's Revolutionary Party, enjoying great assistance from the Soviet Union and other fraternal socialist countries, the Mongolian people have made a historic big leap forward, taking the country from a backward feudal regime to socialism, bypassing the state of capitalist development, and scored great achievements in national construction.

Mongolia today has become a socialist country with a strongly developing industry and agriculture, an advanced culture and science, and a constantly improved material and spiritual life of the working people. Together with the principled foreign policy of peace of the Mongolian party and government, those achievements have continually raised the international prestige and position of Mongolia and contributed to the strength of the socialist system and the common struggle of nations for peace, national independence, democracy and socialism."

Also on this occasion, National Assembly Chairman Nguyen Huu Tho and Foreign Minister Nguyen Co Thach have extended their greetings to their Mongolian counterparts, Bat-Ochiryn Altangerel and Mangalyn Dugersuren respectively.

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CSO: 4200/1206

BRIEFS

FDR AMBASSADOR DEPARTS--Hanoi VNA 26 June--Gert Heinrich Ahrens, ambassador extraordinary and plenipotentiary of the Federal Republic of Germany, left here yesterday, concluding his term in Vietnam. [Text] [Hanoi VNA in English 1452 GMT 26 Jun 86 OW] /12232

DELEGATION TO CSSR--Hanoi VNA 2 July--A delegation of the Ministry for Disabled Soldiers and Social Affairs led by Minister Song Hao, member of the Communist Party of Vietnam Central Committee, left here today for a visit to Czechoslovakia. The visit is made at the invitation of the Central Committee of the Czechoslovak Anti-Fascist War Veterans' Association. [Text] [Hanoi VNA in English 1534 GMT 2 Jul 86 OW] /12232

JOINT SOVIET-VIETNAMESE DOCUMENTARY--Hanoi VNA 5 Jul--A documentary film titled "We Internationalists" is being jointly made by film makers in Baku, capital of the Azerbaijan Soviet Socialist Republic, and Ho Chi Minh City, Vietnam. The film is about the work of specialists of Azerbaijan in helping Vietnam build its gas and oil industry, and about the close friendship and cooperation between Soviet and Vietnamese workers. [Excerpt] [Hanoi VNA in English 0705 GMT 5 Jul 86 OW] /12232

SRV DELEGATION VISITS CZECHOSLOVAKIA--Hanoi VNA 9 July--A delegation of the Ministry for Disabled Soldiers and Social Affairs led by Minister Song Hao, visited Czechoslovakia from 3-8 July, as guest of the Central Committee of the Czechoslovak Anti-Fascist War Veterans' Association. While in Czechoslovakia, Song Hao, who is also member of the Communist Party of Vietnam Central Committee, and his party held talks with leading officials of the host association in Prague and Bratislava. The delegation toured several localities including village and the Kachina Czechoslovakia-Vietnam Friendship Cooperative. [Text] [Hanoi VNA in English 1456 GMT 9 Jul 86 OW] /12232

USSR EXHIBITS CONSUMER GOODS--Hanoi VNA 9 July--An exhibition of Vietnamese consumer goods for export was opened in Khabarovsk (USSR) yesterday with the assistance of the Soviet and Khabarovsk Chambers of Commerce and Industry and a representative of the Soviet Ministry of Foreign Trade. The exhibits include garments, knitwear, leather hats and shoes, woolen carpets, fresh and canned fruits, vegetables, wickerwork and applied art articles. This exhibition, drawing 13 Vietnamese manufacturing and import-export organizations, will last till 18 July. [Text] [Hanoi VNA in English 0720 GMT 9 Jul 86 OW] /12232

ALBANIAN ARMY DAY MARKED--Hanoi VNA 10 July--Albanian Ambassador Syria Laze has given a reception here marking the 43rd Army Day of Albania. It was attended by Lieutenant General Vu Xuan Chiem, vice defence minister; Nguyen Van Trong, deputy head of the International Department of the party Central Committee; Trinh Ngoc Thai, deputy head of the International Department of the party CC and secretary general of the Vietnam Committee for Solidarity and Friendship with Other Peoples; and many others. A meeting for the same purpose has been held by the Engineering Corps Command in the presence of the Albanian ambassador. [Text] [Hanoi VNA in English 1517 GMT 11 Jul 86 OW] /12232

VIETNAMESE-ITALIAN COOPERATION--Hanoi VNA 11 July--Agreement was reached between a delegation of the central coastal province of Binh Tri Thien and a trade delegation of its Italian sister region of Emiglia-Romagna during its 10-day visit to Vietnam ending 8 July. This agreement provides for Emiglia-Romagna's help to Binh Tri Thien in agricultural development. Another agreement was also signed by the guest delegation and a delegation of the Chamber of Commerce and Industry on trade exchange between Vietnam and Emiglia-Romagna. During its visit, the Italian delegation, led by Pierluigi Bersani, in charge of labour and vocational training in the region, toured Hanoi, Ho Chi Minh City, and Binh Tri Thien Province. [Text] [Hanoi VNA in English 0815 GMT 11 Jul 86 OW] /12232

AMITY SOCIETY SUPPORTS STRUGGLE--Hanoi VNA 12 July--The Vietnam-DRPK Friendship Association, the Committee for Support for DRPK have voiced the Vietnamese people's support for the statement on 23 June 1986 of the Government of the Democratic People's Republic of Korea aimed at turning the Korean peninsula into a peace and nuclear-free area. In a message to the DRPK-Vietnam Friendship Society, the Vietnamese mass organizations demanded that the U.S. Government and the South Korean Administration respond to the well-intentioned proposals of the DRPK. The message affirmed the consistent support for the just struggle of the fraternal Korean people aimed at eliminating tension in the Korean peninsula and achieving the peaceful reunification of the country. [Text] [Hanoi VNA in English 1533 GMT 12 Jul 86 OW] /12232

CSO; 4200/1206

HAI PHONG PARTY COMMITTEE DECIDES ON HOLDING CONGRESSES

Hai Phong HAI PHONG in Vietnamese 27 Mar 86 p 1

[Article: "Eighteenth Congress of Executive Committee of Municipal Party Organization Decides To Hold Party Organization Congress, Convene Ninth Plenum of the Municipal Party Organization at Beginning of October 1986"]

[Text] The 18th Conference of the Executive Committee of the Municipal Party Organization met on 25 and 26 March 1986.

Comrade Doan Duy Thanh, a member of the Party Central Committee and Secretary of the Municipal Party Committee, presided over the conference.

Comrade Le Danh Xuong, Deputy Secretary of the Municipal Party Committee, disseminated the Party's directives on carrying out self-criticism and criticism within the Party and on holding the 19th Congress of the Municipal Party Organization and party organization congresses at all levels.

The municipal party organization is approaching the coming congress with a spirit of enthusiasm, pride, and confidence over the great accomplishments during the past 5 years. Many economic-social goals set by the Eighth Congress of the Municipal Party Organization were met and surpassed. Although there are still difficulties and deficiencies, they are being actively resolved and thee is a steady upward advance in accordance with the predetermined direction and models, which have been effectively tested in actual practice.

In order to fulfill the requirements that were set forth, before holding the party congresses at all levels the party leadership cadres and party members must carry out self-criticism and criticism in order to improve their leadership ability and organize the implementation of the Party's lines, strengthen ideological and organizational unity in the Party, improve the organization and discipline of cadres and party members, strengthen relations between the Party and the masses, and create conditions for understanding and doing a good job of implementing the resolution of the Sixth Party Congress, the resolution of the Ninth Congress of the Municipal party Organization, and the resolutions of party congresses at all levels.

Self-criticism and criticism must be strict, incisive, self-enlightened, truthful, constructive, and unifying. The upper echelon must set a good example for the lower echelon and leadership cadres must set good examples for party members. In addition to self-criticism and criticism it is necessary to apply corrective measure in order to bring about a true transformation and increase the confidence of the cadres, the party members and the masses. The party organization congresses at all levels are a broad and deep political activity campaign which must be closely guided before, during, and after the congresses.

The 18th Plenum of the Executive Committee of the municipal party organization decided that the echelons and party members must complete self-criticism and criticism by April 1986. The basic-level party organization congresses must be completed in May and June, and in the agricultural sector they must be completed before the 5th month-spring harvest. The party organization congresses at the district, precinct, and equivalent levels must be completed in July and August. The Ninth Party Congress will be held at the beginning of October 1986.

The executive committee of the municipal party organization is confident that on the basis of profound understanding of resolutions 6, 7, 8 and 9 of the Party Central Committee and the resolutions of the Municipal Party Committee, and the Standing Committee of the Municipal Party Committee, the party organization, soldiers, and people of the municipality must manifest dynamism and creativity, endeavor to surpass the 1986 plan norms, achieve accomplishments worthy of celebrating the Party organization congresses at all levels, the Ninth Congress of the Municipal Party Congress, and the Sixth Party Congress.

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CSO: 4209/611

HAI PHONG MUNICIPAL CADRE CONFERENCE HELD

Hai Phong HAI PHONG in Vietnamese 30 Mar 86 pp 1, 4

[Article: "Municipal Cadre Conference"]

[Text] During the 3-day period of 27, 28, and 29 March 1986 the Standing Committee of the Municipal Party Committee held a municipal cadre conference to fully explain the Party's resolutions and directives on urgent measures to correctly implement the Resolution of the Eighth Plenum of the Party Central Committee on carrying out criticism and self-criticism, holding the Ninth Congress of the Municipal Party Organization and party congresses at all levels, strengthening the Party's leadership of the youth work, and the military line and the present military mission.

Comrade Doan Duy Thanh, a member of the Party Central committee and Secretary of the Municipal Party Committee, and comrade Le Danh Xuong, Deputy Secretary of the Municipal Party Committee, presided over the conference.

The conference heard comrade Le Danh Xuong discuss the urgent measures intended to correctly implement the Resolution of the Eighth Plenum of the Party Central Committee and the directives of the Secretariat of the Party Central Committee and the Standing Committee of the Municipal Party Committee on carrying out self-criticism and criticism and holding the Ninth Congress of the Municipal Party Organization and the party congresses at all levels.

The conference heard the following speakers:

Comrade Dao Huong Thanh, a member of the Municipal Party Committee and head of the Organization Department of the Municipal Party Committee, guided the ideological work plan to serve the party congresses at all levels.

Comrade Nguyen Tien Phong, deputy head of the Central Civilian Proselytizing Department, passed on the contents of Political Bureau Resolution No 26 on strengthening the Party's leadership of the youth work.

Comrade Tran Thi Thanh Tho, a member of the Standing Committee and head of the Municipal Party Committee, gave a preliminary report on the implementation of Resolution No 39 of the Standing committee of the Municipal Party Committee on strengthening the youth work in the new period and disseminated Directive

No 30 of the Municipal Party Committee on a number of immediate tasks in the implementation of Political Bureau Resolution No 26 on strengthening the Party's leadership of the youth work.

Maj Gen Nguyen Truong Xuan, a member of the Standing Committee of the Municipal Party Committee and commander of the Municipal Military Command, reported on the local military work.

Maj Gen Do Manh Dao, deputy political commander of Military Region 3, passed on the results of the Political Bureau resolution on the immediate military missions.

Recapitulating the conference, comrade Doan Duy Thanh stressed a number of tasks that must be carried out in the self-criticism and criticism campaign in preparation for the Sixth Party Congress, the Ninth Congress of the Municipal Party Organization, and the party congresses at all levels. By means of the self-criticism and criticism campaign in preparation for the party congresses at all levels, the sectors must create a seething revolutionary atmosphere, have a strong degree of solidarity and unanimity, and have a spirit of pride and confidence in view of the great accomplishments during the past 5 years and the municipality's steady advance. All sectors, organs, precincts, and districts must learn a lesson from experience, change their ways of looking at things and working, be dynamic and create, have a spirit of self-reliance, overcome difficulties, bring about a profound transformation in the economic-social situation, and accelerate the pace of socialist construction in the municipality. They must do a good job of applying urgent measures to correctly implement the resolution of the Eighth Plenum of the Party Central Committee, do a good job of managing the market and prices, and ensure stable living conditions for the workers, civil servants, members of the armed forces, and people in the municipality. They must closely guide the security-national defense work, oppose the enemy's multifaceted war of destruction, manage society in accordance with the laws, eliminate social evils, strengthen protection of socialist property, and continue to make the municipality clean and attractive.

The Secretary of the Municipal Party Committee admonished the echelons, sectors, precincts, and districts must organize thorough explanations of the resolutions and directives of the Party to each cadre and party member, and closely combine guidance of the permanent tasks, especially the key tasks, with guidance of the party committees at all levels, while at the same time launching a mass emulation movement to achieve accomplishments to celebrate the Sixth Party Congress, the Ninth Congress of the Municipal Party Committee, and the party congress at their echelon, bring about everywhere an atmosphere of enthusiasm and confidence as we approach the Party Congress, and promote the municipality's political, economic, and social activities.

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CSO: 4209/611

READERS WRITE LETTERS ON PARTY CONGRESSES

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 9 May 86 p 4

[Contributing Opinions About Party Congress column: "Eliminate the Evil of Gift Giving; Promptly Rectify the Intermediate Echelon; Municipal Party Committee Should Closely Guide Self-Criticism and Criticism in Weak and Deficient Basic Party Units; Strictly Punish Black Marketers and People Who Earn Illegal Livelihoods"]

[Text] I recommend that we struggle to immediately eliminate the present custom of gift-giving, for that is a bad custom and an ugly practice which leads to collusion, thievery, and bribery.

For a long time now gift-giving has been a custom on the part of some cadres and organs. It is a matter of "respectful greetings in the morning, invitations at noon, and gift-giving in the afternoon," of personnel giving gifts to bosses, one organ spending funds to give gifts to another organ, and the lower echelon giving gifts to the upper echelon.

Many leadership cadres of the corporations, organs, enterprises, etc., especially the leads of organs and party members, accept gifts, if not many then at least a few. At first there was little gift giving, but gradually the custom developed that if no gifts are given there are hard feelings, such as the case of the head of the Technical Equipment General Department of the Ministry of Agriculture, which was published in the newspaper TUOI TRE. That custom easily corrupts cadres and party members.

The workers and laboring people are endeavoring to work to benefit the state, the organ, and the unit. At the same time, the organs and units use some of their profits to give gifts to individuals. Individuals who want to be protected or assisted must give gifts to their bosses. That evil has brought about many harmful consequences.

Therefore, it is necessary to bring an immediate end to the evil practice of giving gifts.

Vo Cong
Subprecinct 24, Precinct 5

Just after the liberation, due to the organization requirements of the central government, the ministries, general departments, etc., have resident elements in Ho Chi Minh City to monitor the situation, help the southern provinces make recommendations to the ministries and the central government so that guidance of the economic, cultural, transformation, and other tasks can be specific and timely.

In the process of development those resident elements have had very large and cumbersome apparata and increasingly larger numbers of personnel and cadres. They have become an intermediate echelon the rectification of which requires prompt attention.

Ngoc Danh
Subprecinct 11, Precinct 5

In addition to the basic Party units that have been recognized by the Municipal Party Committee as being strong and pure units in 1985, there are still many basic Party units which were weak and deficient. There were still many general departments and general corporations which were very important organs in developing the national economy, which had no strong and pure Party units.

Therefore, so that the present political activity campaign can meet the quality requirements, such as Directive 79 of the Secretariat of the Party Central Committee, we recommend that the Municipal Party Committee continue to directly and closely guide the self-criticism and criticism of the weak and deficient Party units, especially those in ministries, general corporations, bureaus,etc. It is necessary to openly report in the press the results of self-criticism and criticism of representative weak and deficient basic Party units, especially self-criticism and criticism of party members with authority in those basic Party units.

Chu Thanh Hai
Procurate Cadre School
27 Nguyen Trung Truc
Precinct 1

As citizens living in a new society, we are very proud of the changes in the city after the liberation. The government has done many things which the old regime thought could not be accomplished.

However, there are still some rather important things the government has not yet been able to accomplish, which has considerably affected the cultural and material lives of the people, sullied the atmosphere, contributed to makfing life more difficult, and affected the people's confidence in the Party.

We hope the question why the dishonest merchants and people who make thier livings illegally still exist and live a decadent life, as if callenging the law.

Why are merchants who deal in precious metals, precious stones, blackmarket POL, etc., still active?

Why do blackmarket ticket sellers at cinemas or cultural performances still charge art lovers 10 to 20 times the price of the ticket. Furthermore, their activities are practically open and they have caused disorderly scenes at the theaters. At the train stations the black market in ticket is still flourishing and they need not conceal their activities. It is very difficult to buy official tickets. Since there is much confusion and disorder and the tickets are hard to buy, people who are frustrated or afraid of being jostled about must tighten their belts and use their savings for such negative things.

A long explanation is not required for everyone to understand the serious harm done by such dishonest merchants and people who earn their livings illegally.

We ardently hope that our governmental administration will take corrective steps so that in the near future the only path for such people will be to change over to an honest livelihood.

5616
CSO: 4209/614

LAXNESS OF DISTRICT CPV COMMITTEE, SECURITY COMMAND CRITICIZED

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 13 May 86 pp 1, 4

[Article by Q.N.: "Nha Be Cadres, Public Security Forces Contribute Ideas, Criticize District CPV Committee and Public Security Command Section"]

[Text] On 8 May 1986, almost 100 cadres and public security forces from Nha Be District contributed many ideas to the district CPV committee and Public Security Command Section during the session to contribute ideas to the self-review documents of the CPV committee and command section. The district cadres and public security forces criticized the CPV committee for allowing the party chapters of the Public Order and Security Police Unit, the security guard police, and the political and economic security forces to be lax in carrying on activities and allowing many cadres and security personnel to violate discipline, which requires their removal from the sector. The work style of the CPV committee is still bureaucratic, and it doesn't deal resolutely with party members who have violated discipline.

Many criticized the review documents of the district CPV committee and Public Security Command Section for being too general. The CPV committee and command section have not inspected and supervised the party chapters, committees, units, and village public security forces frequently to see if they are implementing the resolutions. In cadre work, the command section has not taken bold steps to bring younger people into the ranks. It lacks confidence in young, talented people. Because of the emphasis on structure, one-third of the party committee members lack leadership skills. Because of this, guidance and leadership results have been poor.

Political and ideological education is not carried on regularly in the units. Thus, cadres often drink and gamble and engage in corruption, which requires that they be expelled from the sector.

Within the CPV committee, people are too considerate of each other. They try to advoid things and cover up for each other. They have not carried on self-criticism and criticism regularly. The chief and deputy chief of the district public security forces rarely visit remote villages.

11943
CSO: 4209/637

WRITER SUGGESTS IDEAS FOR IMPROVING PARTY, CADRE WORK

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 13 May 86 p 1

[Contribute Ideas to the Party Congress column]

[Text] Contribute Ideas on Cadre Work

In response to the political activities campaign to contribute ideas to building the party, I would like to contribute the following ideas:

1. As for opposing negative aspects, today, a number of people (including a number of party members) say that even though criticism and self-criticism is being carried on actively, this will not achieve anything. Only people at lower echelons are being prosecuted. No action is being taken against people in higher echelons. This is a discrepancy that must be opposed. Today, it is essential to oppose negative aspects and purify the ranks. But that is a problem that must be solved over the long term. It can't be solved during this campaign. In order to eliminate the negative aspect mentioned above, besides providing education, the party must deal with the negative aspects in a resolute and speedy manner regardless of which echelon or sector is involved.

2. The party must make bold changes in cadres in accord with the new situation. As compared with the requirements of the revolution, every country lacks highly talented cadres. A communist party can never be satisfied with what it has but must always strive for something higher and better. This is a revolutionary demand. Thus, the shortage of cadres needed to carry out the revolutionary tasks is very serious in our country, and this is difficult to accept. The party should boldly give real tasks to the young cadres who meet the standards.

3. Because of the above problems, standards must be set for cadres. In doing this, besides the requirements concerning political and occupational standards, moral qualities, and educational standards, we must give attention to age. Sectors and echelons that have set standards for cadres must apply the standards resolutely and not show special consideration. Only by doing things this way will it be possible to satisfy the requirements of the situation and encourage the cadres to study and actively think about improving the work. Today, a number of older comrades with very poor skills are still in charge of tasks that are too difficult (as compared with their capabilities). If younger

people are not given a chance to manifest their talents and if they become subjective and passive, how can they do a good job when they take over later on? (This problem is even more prevalent in the state administrative and management agencies.)

4. Today, in a number of sectors, organizational work and party expansion are too rigid. There is discrimination against a number of people because of their family's historical circumstances (for example, relatives participated in the old system) even though these are talented and enthusiastic people who have done a good job for more than 10 years. They have developed an inferiority complex, and this has led to negative aspects and discontent. Naturally, in both cadre work and party expansion, much attention must be given to quality and political standards. But the party should give appropriate attention to these people. Besides this, if these people do not meet the political standards because of the requirements of the sector, the organization should be frank with them and take steps to enable them to transfer to another sector. They should not be kept in their present job if it means that they will always be last in line for a promotion.

5. I am not qualified as a linguist and so I can't analyze the words "chair" and "umbrella." But these have appeared in daily life for a long time now. Clearly, the word "chair" includes the idea of personal interest. But it doesn't make sense to assume that a person has made good contributions to the revolution just because he has a "chair." Reality has shown that those who cling to their "chairs" must have "umbrellas." The more firmly that they cling to their "chair," the more unworthy they are of that "chair." Because most of them think only about themselves and not about the interests of the majority. There have recently been cases in which cadres who lack skills have resolutely refused to take classes because of their fear of losing their "chairs." Middle-aged cadres who hold middle-echelon positions have tried to retire. And "overly distressed" cadres have forgotten to retire even though the organization has reminded them many times. These outmoded viewpoints must be eliminated.

6. Recently, the press contributed many ideas to the Municipal Housing and Land Sector. This sector has begun to implement many measures to correct the shortcomings. This is very praiseworthy. But other sectors have kept very quiet. The Price Commission, for example, should make a public statement, because something needs to be done about prices.

7. Finally, I want to say that the party and authorities must be much more open and bold regarding most of the problems of the party so that the people can contribute ideas and suggest plans (the only exceptions are problems that concern national defense and national security). Clearly, dealing with the negative aspects and mistakes can only make our party and administration stronger and make it more difficult for the enemy to distort things (because we have already revealed everything and spoken the truth). And the people will have greater trust in the party. (How could the enemy distort the truth?)

I hope that after this campaign, the party will create a wholesome environment for carrying out the country's important tasks. (Le Ha, Subprecinct 7, Precinct 1)

11943
CSO: 4209/637

WRITERS: OVERCOME SHORTCOMINGS, STRENGTHEN CADRES

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 15 May 86 pp 1, 4

[Contribute Ideas to the Party Congress column]

[Text] The Importance of the Party Congresses at the Various Echelons Must Be Understood Thoroughly in Order To Achieve Good Results Beginning at the Primary Level

The results of the primary level party congresses are very important, because the primary level echelon is where the masses are organized to carry out the positions and policies of the party and state, and it has direct contact with the masses. Thus, to fulfill the requirements when holding primary level congresses this time, necessary support and guidance must be provided. The situation in which things are done in a rough and slipshod manner is still relatively widespread. Following the old and outmoded ways is still a rather serious problem.

The place where I live was chosen as a test point, but it, too, is falling into the old habits. The results have been very limited. Specifically:

1. The CPV Committee's summary report does not make a distinction between the shortcomings of the CPV Committee in leadership, the shortcomings of the regime in organization and implementation, and the weaknesses of the mass organizations. It simply advances general reasons.

2. The committee echelons have made criticism and self-criticism, but they have not gone into things deeply. They have simply mentioned a number of achievements and a few very simple shortcomings. No individuals in the committee echelons have been named, and nothing has been said about whether they have or have not completed their tasks. No distinction has been made between the leadership of the party and the management of the administration.

3. Nothing has been said about prosecuting party members who commit violations. People have been too considerate of others. Things have been concealed, a rosy picture has been painted, and the shortcomings have been ignored. It is as if the mistakes don't exist, including the glaring mistakes.

4. The result of all this is that no proposals have been made for correcting the mistakes, and no guidelines have been given for carrying out the tasks. There has been confusion and great pressure.

5. As for personnel, there is a targetted roster. If reviews, criticism, and self-criticism have not been made, what is the basis for making predictions and exchanges? This point clearly reflects the subjective situation and the failure to grasp that the requirement of this congress is to purify the ranks of party members so that the "people trust the party, and the party has confidence in the people." Unless this is done, the contributions of the party members and laboring people will be just a formality. When collectives have made contributions in a zealous and responsible manner, a number of comrades in positions of power at the primary level have used the argument that "according to district CPV committee guidelines, this primary level party congress is like a regular congress. If we continue to review party members, how can the committee echelon carry on the congress!"

I think that there is still time. If we take immediate action to correct the shortcomings, the various echelon party congresses will achieve the results hoped for by the party and masses. But if nothing is done, the results of the congresses will be greatly limited. (Nguyen Van Duong, Precinct 1, Cu Chi)

So That the People Have Real Control

Manifestations of collective ownership rights at the primary level are the people's councils and the trade union, youth, and women's organizations. But in many places, these organizations are just vague shadows.

For example, local authorities who act in a bureaucratic and overbearing manner create difficulties for the masses and oppress the masses. These shortcomings reflect on the people's councils. The people's councils don't meet to find the causes of the shortcomings or help the people's committees implement measures to correct the shortcomings. They just allow negative aspects to grow.

People call the trade unions and youth unions at a number of enterprises "do nothing" organizations because they lack a spirit of initiative and do not represent the legitimate interests of the workers.

The reason is that the mechanism is centralized, conservative, and slow-moving. It is characterized by bureaucratic centralism and state subsidies. "Revolutionary mandarins" have appeared. They will inevitably lead the people's councils, trade unions, and youth unions to "their side," or they will destroy the struggle and not carry out their duties. I would like to propose the following:

The party committee echelons, from the primary level on up, should take action to enable the mass organizations and people's councils to carry out their duties in accord with the law.

The method of electing people to the various echelon people's councils should be improved. The local party bases should provide firm leadership so that the masses understand things and nominate candidates. Cadres who violate the people's collective ownership rights should be dealt with appropriately.

As for young cadres, the party must give attention to strengthening their courage. Because many of today's young cadres are worried about many things. Because of the bureaucratic centralism and state subsidies environment, in which many degenerate and degraded key cadres like flattery and are afraid of frank talk, many young cadres flatter others and take advantage of the situation. They have slipped into the party in order to do "this and that" and enrich themselves. Their ideals are vague, and they lack the courage to wage a struggle.

I suggest that the party find out who these young cadres are and train them in an environment of struggling against negative aspects, opposing outmoded mechanisms, and supporting the new mechanisms and new way of working so that the young forces of the party gain skills and become more virtuous and brave.

Today, in an atmosphere of criticism and self-criticism among the cadres and party members, I hope that the newspapers will promptly reflect the results so that readers can "take the pulse" of the changes in life and be prepared to contribute to building socialism in our country. For personal reasons, I have not signed my real name. However, that is my real work unit. I hope that SAIGON GIAI PHONG will continue to be the "voice of the people." (Quoc Bao, Federated Electrical Machinery Enterprise)

11943
CSO: 4209/639

BRIEFS

ECONOMIC TRAINING FOR CADRES--The Central Economic Management School in the city recently opened 1st-term classes to improve the economic management knowledge of high- and middle-level cadres. This is the first term to be organized based on the second cooperative agreement between the governments of Vietnam and the Soviet Union to train and increase the economic management knowledge of high- and middle-level cadres. In implementing the first cooperative agreement, the school coordinated things with Soviet instructors and trained more than 7,000 students in 12 terms. This time, along with taking basic science courses and going deeply into improving management, the 400 students will be informed about the economic themes recently adopted at the 27th Congress of the Communist Party of the Soviet Union. They will also discuss our party's draft political report to be presented at the coming congress. Besides this, the students will visit and observe many progressive commercial production units, which will tell them about their real experiences. [Text] [Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 14 May 86 pp 1, 4] 11943

CSO: 4209/638

COMMERCIAL DEALINGS AMONG CORPORATIONS CRITICIZED

Hai Phong HAI PHONG in Vietnamese 25 Mar 86 p 4

[Market Management Handbook column by: "Nguoi Quan Ly" (Manager)]

[Text] At present the situation of commercial dealings between one corporation and another to take advantage of price disparities and to include those transactions in calculating income and profits still exists. The situation of internal distribution, selling goods according to letters of introduction, orders, etc., also continues to exist, sometimes surreptitiously and sometimes openly, which creates negative phenomena on the market. The following are a few examples:

The Level-I Cloth and Yarn Corporation sold to the Department Store 1,740 meters of "valyde" cloth. But the Department Store representatives who went to pick up the cloth did not take it back to the warehouse but sold it to a merchant at the very gate of the Level-I Corporation to take advantage of the price difference.

The Grain Corporation sold eight tons of flour to the marketing cooperative of Trai Chuoi subprecinct. Half of the payment was transferred to its account and half was paid in cash. That cooperative, which did not have authorization to deal in grain, sold all of the flour to the merchant Nguyen Thi My and lent her storage space. She was discovered when she was selling two tons of flour to the illegal bread bakeries. The municipal market management unit dealt with case on the spot and confiscated all of the flour.

Recently consumers also learned that the Ngo Quyen industrial goods store at the Nga Nam wharf and the Hong Bang industrial goods store displayed Soviet table fans and women's watches, but did not sell them on a regular basis, but only in accordance with letters and orders.

5616
CSO: 4209/611

BRIEFS

NEW RETAIL PRICES ON COMMODITIES--The Municipal People's Committee recently issued a decision on the retail prices of fixed-quantity goods for workers and civil servants. Specifically, the stable retail prices of fixed-quantity goods for workers, civil servants, members of the armed forces, Category 1 and 2 wounded and sick soldiers, and students at colleges, higher schools, and vocational middle schools are as follows: a. ordinary non-glutinous rice, 4.50 dong per kg; b. pork loin, 45 dong per kg; c. Grade 1 refined sugar: 20 dong per kg; d. Grade 1 fish sauce, 10 dong per liter; e. Laundry detergent, 50 percent fatty acid, 20 dong per kg. The above retail prices go into effect on 1 June 1986. They apply to the fixed-quantity standards beginning in June 1986. Fixed-quantity goods for which standards were set prior to June 1986 and which have not all been sold are to be sold at the old prices. [Text] [Hanoi HANOI MOI in Vietnamese 30 May 86 p 3] 11943

CSO: 4209/634

POOR MANAGEMENT OF FLOUR DECRIED

Hai Phong HAI PHONG in Vietnamese 30 Mar 86 p 4

[Market Management Handbook column by "Nguoi Quan Ly" (Manager)]

[Text] Flour is a product under the unified management of the state. However, there have appeared on the market many private bread bakeries and bread-selling stalls. That proves that the sector's flour management is not yet close, which allows goods to find their way to the outside. In Le Chan Precinct alone, in the course of an inspection five families who had bread bakeries but who had not registered to engage in production and commerce were dealt with on the spot. They included Duong Vu Hoa at No 123 Chua Hang Street, Dien Dong Nguyen of No 42 Lu Hong alley, Ta Thi Lien of To Hieu Street, Nguyen Van Boi of No 42 Du Hang Workers' District, and Nguyen Thi Dinh of Cat Dai Subprecinct.

Something worthy of attention is the question of where those bread bakeries obtain their flour. I believe that if the inspection units restrict themselves to imposing monetary fines they cannot resolve that situation. The basic matter is to cut off source of supply of the flour. Without flour it will be difficult to them to operate. But the coordination of many echelons and sectors will be required to accomplish that.

If such all-round coordination is achieved it is certain that we will be able to do a better job of managing that strategic product of the state.

5616
CSO: 4209/611

RESULTS IN SUBURBAN AFFORESTATION CAMPAIGN REPORTED

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 15 May 86 p 1

[Article by M.V.: "City Strives To Cover More Barren Land in the Suburbs in 1986; Growers Receive 50-80 Percent of the Profits From Afforestation"]

[Text] On 14 May, the Municipal People's Committee held a conference to discuss measures to implement the plan to afforest 3,100 hectares of concentrated forest and plant 10 million dispersed green plants in 1986. The aim is to virtually complete the work of providing a green ground cover for the barren land outside the city.

A special characteristic of this year's afforestation work is that this is being done based on a new mechanism. The localities must balance their budgets by promoting forestry activities in order to use the profits for afforestation. They must actively turn over land and forests to the production teams, cooperatives, and peasants. Those engaged in afforestation activities are to receive 50-80 percent of the profits earned from the afforestation activities. The wards, districts, and state farms and forests must organize things to plant trees on the spot in order to lower production costs and reduce transportation expenses to a minimum.

At the conference, Nguyen Vinh Nghiep, the vice chairman of the Municipal People's Committee, praised the afforestation movement of the rural districts during the past year and said that the various places must make an even greater effort in order to virtually complete covering the barren land this year, the 10th anniversary (1979-1986) of the city's afforestation movement in "everlasting gratitude to President Ho." He asked the localities to implement enthusiastically the motto "the state and people working together" in afforestation and to have rational procedures to ensure the rights of the growers. This is an important motive force in mobilizing all the people to participate in afforestation.

In 1985, the city afforested 3,388 hectares of concentrated forest, exceeding the plan by 69 percent, and planted 14.21 million dispersed plants, exceeding the plan by 42 percent. In this, good results were achieved in planting trees along 100 km of roads.

This year's afforestation campaign will get underway on 18 May.

11943
CSO: 4209/639

BRIEFS

NORTHERN RICE CROP PREPARATION--Rice-growing provinces in northern Vietnam have mobilized more than 2,200 tractors to prepare soil on 300,000 hectares for the summer-autumn rice crop. Meanwhile, efforts are being made in consolidating the dike systems and sluices and antiflood and typhoon work. So far, 13 provinces have removed 2.2 million cubic meters of earth to strengthen the dike systems. They are determined to protect crops and people's lives in this rainy season. [Text] [Hanoi International Service in English 1000 GMT 10 Jul 86 BK] /12232

CSO: 4200/1206

HEAVY INDUSTRY AND CONSTRUCTION VIETNAM

BRIEFS

HAI HUNG TRANSFORMER STATION--Hanoi VNA 1 July--A 25,000 KVA transformer station has been built in Pho Cao, Hai Hung Province, with 30 km of 110 kv wire lines from Hai Duong Town to the station. The construction of the station has been funded and undertaken jointly by the state and the local people with Soviet experts' assistance. The station is providing power for the regulation of water for farming in Kim Thi and Phu Tien districts and for industrial production and domestic consumption in Hung Yen Town. [Text] [Hanoi VNA in English 0714 GMT 1 Jul 86 OW] /12232

CSO: 4200/1206

REPORTERS CRITICIZED FOR TAKING BRIBES, WRITING FALSE STORIES

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 14 May 86 p 1

[Contribute to the Party Congress columm]

> [Text] SAIGON GIAI PHONG would like to thank readers for contributing criticisms about the newspaper. If readers want to contribute specific ideas to SAIGON GIAI PHONG cadres and reporters, please send a letter to the Editor's Office.

The Press Must Oppose Negative Aspects Within Its Own Ranks

In preparation for the party congress, SAIGON GIAI PHONG has set up a letter box for contributing ideas to the party congress. I have a few ideas in the sphere of press news.

The news agencies and those who work in this sector are responsible for spreading propaganda and disseminating the lines, policies, and positions of the party and state to the people. At the same time, they reflect what is happening in productive labor and daily life and provide information on what the people are thinking and feeling so that the party and state can then put forth correct positions, methods, and policies that are in line with the situation and have good examples for study. Thus, those who work in this sector must be objective and honest. But there are many people who do not act like this. They use their position to do bad things and engage in negative activities. For example, when gathering the news, they "hint" that "gifts" must be given. When they are given gifts and treated to food and drink, they write stories that do not reflect reality at that locality or unit. Their stories are usually filled with exaggerations about the work being done there. Something that everyone knows is that many newspaper articles and stories are written about places that give gifts even though that place has not done anything outstanding. There are also cases in which articles are written just because it concerns ones friends or relatives. Such negative phenomena exist in the newspaper and magazine, radio, and television agencies.

A number of leading cadres in the localities or at units do things this way for improper reasons or because they want to gain fame for themselves or their unit. This is bad, and it affects the leadership and guidance of higher echelons. This must be stopped.

Along with the changes in the other sectors and echelons, I hope that the news sector makes positive changes in its work, purifies its ranks, and contributes to a successful party congress. Through this, the sector must mature and be worthy of the trust and confidence of the people. (Ha Van Bau, Precinct 11)

11943
CSO: 4209/638

RESOLUTION ON POPULATION RELOCATION IN ECONOMIC ZONES

Nam Dinh HA NAM NIMH in Vietnamese 11 Mar 86 pp 1, 3

[Text] Editorial note: On 24 February 1986, the standing committee of the provincial party committee issued Resolution No 36-NQ/TU on labor and population distribution and the need to urge people to build the new economic zones. The following is an excerpt of the part dealing with the guidelines and objectives of this task in the forthcoming years (1986-90):

The guidelines to be followed by our province in the forthcoming years (1986-90) will be to concentrate the efforts of the entire party organization and people to exploit better the labor and land potential of the province; to step up intensive cultivation and multicropping; to coordinate this task with actively opening new lands, reclaiming fallow ones, expanding the arable area, and comprehensively developing agriculture, primarily the cultivation of grain and food crops; and simultaneously to provide more raw materials for industry and more products and goods for export. A large force composed of laborers and people will be assigned to build new economic zones inside and outside the province. It will be necessary to provide jobs for all laborers, to ensure that their work is beneficial to society, and to combine economic activity with national defense and security maintenance.

The struggle target in the next 5 years (1986-90) will be to send 600,000 people to build the new economic zones, of whom 450,000 will go to areas outside the province and 150,000 to areas within the province. These figures are the highest norms ever and constitute spearheads requiring the concentrated effort of all sectors at all echelons throughout the province.

The immediate task is to implement satisfactorily the 1986 plan assigned by the Central Committee and to prepare to relocate more people in the subsequent years.

The motto for task organization and implementation is a positive attitude, firmness, concentration, and uniformity. The state and people will work together but it is necessary to display a high spirit of self-help and self-strengthening instead of relying on and waiting for assistance. To achieve realistic effects rapidly, easy things must be done first, and difficult tasks carried out later on.

To achieve the above-mentioned targets, efforts must be concentrated to perform the following major tasks properly:

1. It is necessary to prepare locations adequately, including both departure and arrival areas, especially those outside the province.

- All districts and installations must draw up projects and plans to organize laborers for immediate and long-term production and business. Plans must be formulated to motivate and organize the surplus laborers and population for economic construction and development outside the province. The municipality, cities, and concentrated industrial and handicraft zones must reassess the labor and population situation each year before planning to motivate people--especially currently unemployed laborers--to go build the new economic zones.

- Based on the assigned locations, districts and installations must organize a body of technical and economic management cadres and entrust them with the special task of delineating these locations in cooperation with sister provinces and districts.

- Locations outside the province are mainly the Central Highland provinces of Lam Dong, Gia Lai-Kon Tum, and Dac Lac. In recent years, Lam Dong and Gia Lai-Kon Tum were two provinces which established close relationships with our province and cooperated with it in satisfactorily sending and welcoming people going to build the new economic zones. Because of their vast land potential, these two provinces have asked ours to supply each of them with 100,000 to 150,000 people including 50,000 to 100,000 laborers to build the new economic zones. We must closely coordinate activities; in particular, the recipient districts where people come for constructive purposes must join the friendly districts in consolidating the new production relationships and simultaneously delineating and expanding areas destined for agriculture, forestry, and handicrafts. All conditions must be well prepared to relocate people in the coming years.

Concerning locations in Dac Lac Province, in particular, after the two provinces [Dac Lac and Ha Nam Ninh] have come to an agreement and been assigned tasks by the central level, the province of Dac Lac will direct its districts to zone locations and prepare all necessary conditions for the transfer of laborers and people to the new economic zones in late 1986 and 1987.

- Hoang Lien Son and Minh Hai are two provinces which have pledged brotherhood with ours. Our province's people have been building and developing the economy, culture, and society in various areas of these friendly provinces. In the coming years, we will continue to tighten relationships with these provinces and to formulate a plan to send more laborers and people there to expand the areas destined for afforestation, sea fishing, handicrafts, and so on through supplemental forms--such as "intercalating" and merging production households and units and, where conditions are favorable, founding production collectives and agricultural and handicraft cooperatives.

The following tasks must be done in the new economic zones situated in our own province:

- In 1986, people will be moved to Giao Phong region to form new production units, to build new villages, and to concentrate on opening new lands and putting 360 hectares into production according to the set guidelines.

- The economic zones in eastern Nghia Dien (Nghia Hung District) and Con Thoi (Kim Son District) must complete the building of sea dikes, continue to send out laborers to open new lands and develop fields, and prepare to put 1,100 hectares into production in 1987, to establish two new population centers, and to found new cooperatives and villages.

- The Con Ngan and Con Lu economic zones (Xuan Thuy District) must continue to request the central level to examine and ratify their economic and technical theses. In 1986 and 1987, continuous efforts will be exerted to open new lands to obtain 1,500 hectares for reed plantation, to invest in the construction of the Cau Vop project and communication roads to enable the people to move about to perform production and transport reeds, and to prepare for dike construction in the coming years.

- Through decentralization, other economic subzones will be entrusted to district authorities which must plan to send laborers and people there to open new lands and step up production, to form new production units, and to continue completing the remaining project components according to the ratified economic and technical theses.

- According to the guidelines for investment in the new economic zones in our province in the coming years, apart from the capital granted by the central level to various localities, our province will draw from its own annual budget to invest in major zones to enable them to build large-scale key projects in a concentrated, uniform, and decisive manner so as to achieve in-depth effectiveness. Our province will entrust other new economic subzones to various districts which will have the duty to organize and guide them to implement the "joint action by the state and people" motto.

2. It is necessary to improve some specific policies and systems concerning people and cadres who are going to build the new economic zones.

- At present, certain subsidy policies and systems concerning such people and cadres have proven unsuitable. The provincial party committee standing committee intends to improve some of these policies concerning people and cadres going to build new economic zones within our province. The provincial party committee standing committee will direct the Agricultural Committee and Service, the Labor Service, and the Committee for New Economic Zones to prepare and submit specific policies to the standing committees of both the provincial party and the people's committees for ratification during the first quarter of 1986. These policies will deal with housing and arable land, purchase of agricultural products yielded by the new economic zones, allowances granted during the inception period of 1-3 years to core cadres of cooperatives and production collectives and to cadres in charge of youths to participate in building the new economic zones, etc. These policies aim at urging and encouraging cadres and people to enthusiastically go and participate in economic construction and development.

- The provincial party committee standing committee intends to maintain the funds destined for the new economic zones but requests that all contributions be duly collected and expenses be made according to promulgated principles. This fund must be uniformly administered throughout the province. It will be regulated for the whole province by the provincial people's committee. According to regulations, between 5 and 10 percent of the total income will be reserved for the district and grassroots levels to defray the cost of the motivation campaign. The Committee for New Economic Zones and the Financial, Banking, and Food Services are organs responsible for drawing up an income and expenditure plan and settling accounts with the provincial people's committee standing committee (according to Regulation No 647 issued by the provincial people's committee).

3. It is necessary to intensify the organizational task of provincial sectors at all levels as well as their guidance for plan implementation.

To ensure success of this important and urgent strategic mission in the coming years, party committees at all echelons and all sectors in the province must make this policy and mission thoroughly understood by all people down to the grassroots and must solve the following principal problems:

- Propaganda and political ideological education must play a highly important role and be carried out regularly, continuously, intensively, and extensively within the party and among the masses to enable cadres, party members, and people to realize clearly the requirements, objectives, importance, and urgency of economic construction and to understand that all sectors at all levels and everyone have the duty to participate in it voluntarily. Authorities at all levels must set norms for motivating people to go build the new economic zones and must give these norms a legally compulsory character in order to enhance the sense of responsibility for their implementation. Both the people going to build the new economic zones and those staying behind for local economic construction have the honorable obligation to contribute their efforts to building and developing economy to enrich and strengthen their fatherland. Cadres and party members must clearly realize their duty to set a good example by taking the lead and fully playing their leading role.

Based on local requirements and tasks, district, municipal, and city party committees must decide on strengthening and improving the organization of leading apparatuses in accordance with a uniform system applicable to the whole province. In villages which motivate people to go build the new economic zones, this task must be assigned to a party committee member to be assisted by specialized cadres.

Party committees at various echelons must directly guide this task and coordinate it with party building and other important jobs. At the same time, party committee secretaries must directly assume responsibility for motivating and educating cadres, party members, and the masses in order to ensure the success of both the movement to send people to build new economic zones and the family planning campaign, and strenuously bring down the annual population increase rate to under 1.5 percent.

The various boards subordinate to the party must intensify control and research, detect changes in the situation, and quickly propose additional policies so that the standing committee of the provincial party committee may realistically guide this movement. All sectors--cultural, information, radio broadcasting, and the press--must use all existing means and forms to carry out mass propaganda, education, and motivation intensively and extensively within the party circles and among the masses in order to urge all strata in the province to go voluntarily, conscientiously, and enthusiastically to build new economic zones and to liken this campaign to going to fight the aggressors to save the country.

All committees, sectors, and mass organizations from the provincial to the grassroots level must formulate specific plans and norms to mobilize all sectors to participate in the motivation campaign. The education and public health sectors must plan to send specialized cadres (teachers and physicians) to the new economic zones according to the assigned plan. At the same time, they must continue to train a new body of cadres to serve the movement, their own localities, and the new economic zones.

4. It is necessary to review our provincial people's movement to build the new economic zones in the past 10 years (1976-85) and to draw on experiences in order to guide this movement and advance it.

9332/12899
CSO: 4209/568

ELIMINATION OF GAMBLING URGED IN HAI PHONG

Hai Phong HAI PHONG in Vietnamese 25 Mar 83 p 1

[Editorial: "Eliminate the Evil of Gambling"]

[Text] The struggle to eliminate social evils and create a new way of life in our city in recent months has reduced the evil of gambling. The broad popular masses strongly support that resolute act and express their desire of developing those initial results in order to advance to completely eliminating the evil of gambling in the municipality.

But at present there are still a considerable number of people who gamble surreptitiously: They gamble at home, in cafes, in boats and rafts on the river, etc. In addition to the old forms of gambling there are also such new forms tips, numbers, etc. Gambling has also sneaked into such wholesome activities as sports, which has muddied the thought and sentiment of a number of people who participate directly in or have always been infatuated with those competitive sports.

Our people long ago reached the reasonable conclusion that "Gambling results in poverty." Gambling usually brings along with it poverty. Gambling is accompanied by fighting and cheating. A high moral price must be paid for money won at gambling, and it easily results in calamities caused by extravagant spending and having a superior attitude. Thus losing at gambling is a calamity but winning at gambling does not bring about happiness. a number of recent gambling trials have shown that many groups of gamblers have fought one another to the extent that some have been wounded!

Taking advantage of activities to eliminate the evil of gambling, which is gaining momentum, we must eventually eliminate that evil at the roots. That task must be carried out strongly and carefully in each subprecinct, village, organ, and unit. In order to eliminate gambling effectively, that task must be combined with investigating households and people to determine whether they are living in the correct locations, and ideological education by the mass organizations must be combined with management measures by the government. Gambling easily spreads, so not only should attention be paid to professional gamblers but that evil should be prevented from infecting others. The localities must do a better job of investigating to discover the gambling dens and to casting a net and mopping up the owners of houses of prostitution and gambling.

On the path of building a courteous and civilized Hai Phong, it is certain that we will eliminate the evil of gambling and remove it from life.

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1 AUGUST 1986

Southeast Asia Report

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BRIEFS

RADIATION-FREE CERTIFICATES FOR IMPORTED FOODSTUFF--Jakarta, June 5 (ANTARA)--The ministry of health will request to the ministry of trade and the directorate general of customs as well as to other government agencies which are dealing with imports to oblige importers of foodstuff and beverages as well as of fruit from countries suspected of suffering from pollution by radio-active fallout from the Chernobyl, Soviet Union, nuclear reactor, to provide their goods with radiation-free certificates. The ministry of health's spokesman Sumaryati Aroso, pointed to the press in Jakarta Thursday that the ministry of health's request was a preventive measure from Indonesia against possible pollution danger from the Ghernobyl nuclear reactor radio-active fallout. The Chernobyl nuclear reactor which is situated in the Ukraine Soviet Republic, expected April 26, 1986, killing 25 and injuring thousands of local people. It is feared that many countries in Europe have been affected by radio-active fallout. [Text] [Jakarta ANTARA NEWS BULLETIN in English 5 Jun 86 p A6] /9317

JAPAN TO IMPORT 1.95 MILLION TONS OF LPG--Jakarta, June 5 (ANTARA)--Japan has agreed to import Liquefied Petroleum Gas (LPG) from Indonesia amounting to 1.95 million tons per year beginning July 1988 for a period of ten years, a source available from Tokyo said Thursday. Japan has also agreed to pay three dollars higher for every ton of LPG price imported by that country from the Middle East. This agreement was reached between Pertamina (state-owned oil enterprise) and seven Japan's LPG importers, after one and half year negotiation which was begun in 1985 and intensive talks which was started at the end of 1985. The seven Japan's LPG importers are Mitsubishi Trading, Mitsui Trading, Nippon Gas, Idemitsu Oil, Cosmo Oil, Kyodo Oil and Showa Oil. ANTARA correspondent in Tokyo reported that Japan agreed to buy three dollar higher for every ton of LPG imported from the Middle East, because transportation cost from Indonesia is cheaper by 15 dollar for every ton. Japan's import of LPG from Indonesia, based on the contract will stand to 300,000 tons from Arun oil field and between 1.5 to 1.7 million tons from Bontang per year. [Text] [Jakarta ANTARA NEWS BULLETIN in English 6 Jun 86 p A4] /9317

TIN PRODUCTION INCREASE--Jakarta, June 7 (ANTARA)--Indonesia is to increase its tin production from the current 22,000 tonnes to 27,000 tonnes by the end of this year, although in the flagging world tin market. President Director of the state owned tin company (PT Timah), Sudjatmiko when speaking to the newsmen at a fast-breaking here Friday night, said that the production would be more increased if the price is reasonable. "The important thing is, with the current decline of tin price, production would be continually going on and there would be no lay off," he said. He referred to the lay off resulted from the shrunken tin market as at PT Kobatin, an Indonesian private tin company. He also mentioned the close down of 200 the mining companies in Malaysia employing 23,000 workers and about 215 in tin mining in Thailand which takes on 24,500 workers. PT Timah is employing 28,500 workers. Sudjatmiko was optimistic with tin business, saying if the demand and production reach a balance condition tin price would be better in 1988 reaching 8,000 to 9,000 US dollar per tonnes compared with the current price of 5,500 dollar per tonnes. He said that so far Indonesian tin is experiencing no hindrance in marketing as it has its own market. [Text] [Jakarta ANTARA NEWS BULLETIN in English 7 Jun 86 p A1] /9317

MINISTER ON FLOW OF GOODS--Jakarta, June 6 (ANTARA)--The implementation of Presidential Instruction (Inpres) No 4 of 1985 in the past one year has succeeded in making the flow of goods in Indonesian ports smoother and thus helped businessmen cut their costs, Trade Minister Rahmat Saleh said. The minister said this to reporters Friday moments after he took the oath of three senior officials of the Trade Ministry. The trade minister also underscored President Soeharto's recent statement that there was nothing wrong with the system applied under the presidential instruction. If there were any shortcomings in its implementation, the way to improve on these would certainly be found, the minister said. Control on the quality and the prices of the goods passing the ports by SGS, the international surveyor company, is strict enough and if there were anomalies in their practice the SGS had promised to take action against those responsible, the minister added. The SGS keeps watch on the goods since they are put in ports warehouses until they are loaded into ships. Any person having information on misconduct by SGS personnel in this matter should help the government by reporting it to the concerned authorites, Rahmat Saleh said. [Text] [Jakarta ANTARA NEWS BULLETIN in English 7 Jun 86 p A5] /9317

MINISTER ON TRANSMIGRATION PROGRAM--Jakarta, June 8 (ANTARA)--Transmigration program launched by the Indonesian government is completely different with colonialization done by the Dutch in the past, Transmigration Minister Martono stressed here last Saturday. "Transmigration is not just moving people from one place to another which only results negative effects as feared by certain quarters abroad," Martono declared. He explained that transmigration program in Indonesia was carried out based on the state ideology Pancasila, the 1945 Constitution and the Guidelines of State Policies. With all those solid basis, transmigration program is aimed at strengthening national unity, facilitating the equalization of development and its results and involving the whole people in maintaining security and order, he clarified. Martono categorically denied allegations launched by certain people abroad saying that transmigration would result in the extinction of one of Indonesia's triges. On the contrary, he continued, transmigration is an important and effective means for the whole people to integrate themselves into an Indonesian nation, disregarding their tribes and religions. Citing an example, the minister pointed out to the expulsion of followers of Prince Diponegoro, a national hero, from Java to North

Sulawesi by the Dutch some one and half centuries ago. Instead of coming into extinction, the Javanese integrated themselves with the local people, the Tondanese, resulting in the birth of a new tribe "Jaton" (Jawa-Tondano), Martono said. [Text] [Jakarta ANTARA NEWS BULLETIN in English 3 Jun 86 p A1] /9317

ASAMERA'S CRUDE PRODUCTION--Palembang, June 2 (ANTARA)--Asamera South Sumatera, one of the state-owned oil company Pertamina's contractors in South Sumatera, is planning to produce 38,000 barrels of crude oil per day from seven wells under its management. Chief of the exploration department of the oil company, H.J. Huebner, disclosed here Monday that 29,000 barrels of the planned production would be refined at Plaju and Sungai Gerong refineries, while the rest would be exported via Singapore. Asamera South Sumatera contracted areas cover the Blok Ramba corridor, Bentayan, Tanjung Ubun, Pamarokan, Tempino, Keluang and Mangunjaya. [Text] [Jakarta ANTARA NEWS BULLETIN in English 3 Jun 86 p A2] /9317

BANK CREDITS UP--Jakarta, June 8 (ANTARA)--The volume of bank credits, both in rupiah and foreign exchange, has been steadily increasing in the past three years. Figures available at Bank Indonesia (Central Bank) here Saturday show that the volume of bank credits in 1983 mounted to Rp.15,299 billion, Rp.18,813 million in 1984 and Rp.22,157 billion last year. The volume went up further reaching Rp.23,006 billion only until the first week of April this year. The total was channeled through government banks, Rp.15,765 billion, national private banks Rp.4,442 billion, regional development banks Rp.665 billion and foreign banks Rp.1,106 billion and directly by Bank Indonesia Rp.1,028 billion. The credits until the first week of April were absorbed by the following sectors: agriculture Rp.1,777 billion, mining and industry Rp.267 billion, industry Rp.8,109 billion, trade Rp.7,257 billion, services Rp.3,938 billion and others Rp.1,658 billion. [Text] [Jakarta ANTARA NEWS BULLETIN in English 9 Jun 86 p A2] /9317

CSO: 4200/1219

MALAYSIA

CABINET ACTS ON FOREIGN INVESTMENT REDTAPE

Kuala Lumpur BUSINESS TIMES in English 26 Jun 86 p 1

[Article by Azam Aris]

[Text] A CABINET committee, headed by Deputy Prime Minister Encik Ghafar Baba was set up by the Cabinet yesterday to cut red tape and speed up approval of foreign investment and joint venture projects.

It comprises six ministers, Finance Minister Daim Zainuddin, Primary Industries Minister Datuk Leong Khee Seong, Trade and Industry Minister Tengku Razaleigh Hamzah, Public Enterprises Minister Datin Paduka Rafidah Aziz and Energy, Post and Telecommunications Minister Datuk Leo Moggie.

Encik Ghafar, with the approval of the Cabinet, can appoint other ministers and high ranking officers to the committee if the need arises.

Information Minister Datuk Rais Yatim disclosed this at a post Cabinet news conference in Kuala Lumpur yesterday.

He said with the setting up of the high powered committee, red tape will be drastically reduced and the period between application and approval will be shortened.

"Several big projects have been delayed because of the slow process of approval. It has also resulted in Malaysia losing out foreign investments to neighbouring countries like Singapore," he said.

Datuk Rais, who is also the Cabinet spokesman, said red tape and other barriers are major factors that have caused foreign investors to shy away from investing in the country.

"Investors are telling us that the approval process in Malaysia takes too long especially if it involves land, which is a state matter," he said.

This has tarnished Malaysia's image as a "haven" and favourable country for foreign investors and hindered economic recovery.

Business Times understands that the approval process of foreign investment in Singapore takes only two weeks — a move that has prompted foreign investors to opt for Singapore as a base for their investments.

Datuk Rais said foreign investment, an important pre-requisite for generating economic activity and employment, will decline if the approval process is not speeded up so that the country will remain competitive with its neighbours and other developing countries like India, Sri Lanka and China.

At present approval of investment proposals is undertaken by various government agencies including the Malaysian Industrial Development Authority (Mida).

Datuk Rais said approval of such investments is not finalised at Mida as foreign investors have to go through several other ministries and agencies.

Citing an example, he said the issue of work permits for expatriates in joint ventures is by the Immigration Department, which is under the Home Affairs Ministry while Mida is under the Trade and Industry Ministry.

The need to deal with a number of agencies and organisations causes unnecessary delays. Investors, both foreign and local have often complained that approval can sometimes take months.

"The setting up of the committee will help solve these problems because it is empowered to approve the applications. The committee is now the highest decision making body in approving foreign investment in the country," he said.

Datuk Rais said at present Japan, the United States and the UK are the three biggest foreign investors in the country.

He said the government will have to adopt a positive attitude and continue with its deregulation practice if it wants its traditional investors and other developed and developing countries to increase their investments in Malaysia.

He said with deregulation laws and by-laws which seem to work against increasing foreign investment will have to be reviewed.

"The various ministries involved in the approval process should liberalise their regulations to suit the current needs so that we will not be the losers in the end," he said.

/13104
CSO: 4200/1215

ECONOMIC OUTLOOK ANALYSED BY SALLEH

Kuala Lumpur BUSINESS TIMES in English 25 Jun 86 p 1

[Article by P. Gunasegaram]

[Text] THE outlook for the Malaysian economy in the next two years is not encouraging, with growth for this year and next year expected to be at two per cent, according to economist Dr Ismail Salleh of Universiti Kebangsaan Malaysia.

Speaking at a luncheon talk organised by the Association of Finance Companies in Kuala Lumpur yesterday, he added that his estimate of a two per cent increase in real gross domestic product (GDP) this year is based on an average oil price of US$15 a barrel, palm oil price of M$800 a tonne, rubber price of 185 sen a kg and tin price of M$15 a kg.

Dr Ismail, an associate professor of economics at Universiti Kebangsaan and currently visiting fellow at the Institute of Strategic and International Studies, the government think-tank, expects real GDP to decline slightly to 1.8 per cent next year.

This estimate is based on a price of US$12.50 for oil, M$800 for palm oil, 185 sen for rubber and M$15 for tin. In his calculations, Dr Ismail assumes oil production of 510,000 barrels a day for this year and 520,000 barrels for next year.

Dr Ismail however cautioned that his prediction can be upset by political changes. "Political problems had in the past undermined confidence in the economy," he said.

He expects the main impetus to growth over the next two years to come from exports, especially oil, palm oil and rubber. While oil prices are expected to decline further this year, there will be a small increase in output next year.

For rubber and palm oil, increases in output may be accompanied by price increases as well. The price increases may result in more income and thus help to fuel growth in other areas.

Dr Ismail said that export earnings from oil this year will probably be only about two thirds of the M$8.8 billion achieved last year. Next year, the ratio is expected to be reduced further to just half the 1985 level.

Earnings from palm oil are expected to decline to M$2.4 billion this year from M$3 billion last year and to rebound to M$3 billion next year.

He projects Federal Government revenue this year to fall by 10-12 per cent but added that the real impact will be felt next year when government revenues will be further depressed because of lower tax collections due to decreased income.

The current account of the Federal Government (current revenue minus current expenditure) this year will register a deficit for the first time since 1972 and will widen further next year, he added.

Private investment over the next two years is expected to increase only 2-2.5 per cent although the Fifth Malaysia Plan projects growth at 7 per cent a year for the next five years.

Dr Ismail said private investment has grown only 2 per cent over the last five years and added that there was no reason for the growth rate to increase suddenly to 7 per cent.

On the balance of payments, he expects the surplus on merchandise trade to narrow and the current account (combined position of the trade in goods and trade in services) deficit to widen further.

He added that increased borrowings may be necessary if imports of goods are not brought down significantly.

He said that while the government should continue with cutting back expenditure, monetary policy should be more accommodative so as to improve the present tight liquidity position.

/13104
CSO: 4200/1215

MALAYSIA

ELECTRONICS INDUSTRY DESCRIBED

Kuala Lumpur NEW STRAITS TIMES in English 7, 9 & 11 Jun 86

[Articles by Khor Eng Lee]

[7 Jun 86 p 8]

[Text]

THE electronics industry, which ranked 10th in the world in 1982, is expected to become the fourth biggest by 1990. According to informed observers, this high-growth "sunrise" industry is destined to become the second largest in the world (after the energy industry) by the year 2000.

The global electronics market is one of the fastest growing. By 1990, electronics production should reach more than US$780 billion ($2,030 billion).

Although the semiconductor industry constitutes only a small part of the electronics world, it is a highly significant sector; semiconductors serve as the major building blocks for all electronic products.

According to the Malaysian-American Electronics Industry (MAEI), an industry group of 13 US electronics companies manufacturing in Malaysia, worldwide sales of semiconductor devices are expected to grow from $59 billion in 1985 to $312 billion by 1994. This will be more than a five-fold increase within a decade.

In 1985 the gross value of electronics production in Malaysia (the world's third largest producer and largest exporter of semiconductor components) has been estimated at $5 billion, contributing 38 per cent of this country's total manufacturing exports.

Skilled labour

MAEI has described the semiconductor industry as having one outstanding feature — that of rapid rate of innovation and technological change, both in the devices that are produced and in the production processes used to manufacture them.

In fact, this is known as a technologically dynamic sector which is constantly evolving (note the change, within half a decade, from 16K to 64K and 256K memory chips, called "the basic driver of technology," and very soon to one megabit D-RAMS).

Moreover, there is also a rapid rate of obsolescence. The lifespan of semiconductors and memories is measured in terms of a year or slightly more. Production equipment have short lives as well.

Therefore, despite the vast potential particularly in consumer and industrial electronics, the challenge for a developing country like Malaysia to enter this highly competitive field must be a daunting one indeed.

However, Malaysia's electronics industry has developed from virtually nothing in the early 1970s to what it is today — the creation of multinational semiconductor firms led by National Semiconductor in late 1971 and other major American electronics companies as well as by Japanese corporations like Matsushita and NEC.

Malaysia is said to have one of the largest installed capacities for semiconductor assembly in the world today. It is also a major testing location for semiconductor devices.

The electronic components sector has always dominated this industry in Malaysia. Contributing more than 80-90 per cent of total component output, semiconductors have held sway. The electronic equipment industry remains very small. Very few Malaysian entrepreneurs have ventured into the (largely foreign-owned and export-oriented) electronics industry.

PA Consulting Services, which recently completed an in-depth study of the electronics industry in Malaysia for Arab Malaysian Merchant Bank, has described the Malaysian industry as a young and growing one. There is no scarcity of skilled labour.

PA has also found Malaysian engineers to be very capable: "Malaysian engineers have progressed much faster and are more advanced in semiconductor production than their American counterparts that they are sent back to the parent plants to assist and pass on their knowledge to American engineers..."

Various American companies like RCA (whose local staff have been responsible for "total engineering including design and development of equipment and packages, initiating state-of-the-art process changes..." in the words of Russel Smith, RCA managing director) and National Semiconductor (the pioneer in Malaysia) have paid tribute to their Malaysian employees.

D.J. Hill, managing director of NS Penang, has written: "The people have achieved levels of performance unequalled by any other location in the world..."

Motorola, which came to Malaysia shortly after National Semiconductor, has set up three production plants (two making semiconductor components and one manufacturing communication equipment). It has recently expanded its Petaling Jaya plant into the largest and most complex semiconductor manufacturing operation of Motorola worldwide.

The company has found Malaysians to be very dedicated, easily trainable and highly productive. Don Jerome, managing director of Motorola Malaysia, has attested: "Due to the high level of technical competency currently available in Malaysia coupled with the aggressive planning of the Government of Malaysia, I feel Motorola will continue to maintain a competitive position worldwide in the highest technological disciplines..."

Dr A. Ouchi, NEC's vice-chairman, said recently: "In terms of quality and efficiency of production, the Malaysian plant (in Banting) comes out as good as a sister plant at Yamagata Prefecture which makes similar devices..."

There are various positive factors for the development of Malaysia's electronics industry.

According to the Industrial Master Plan (IMP) which was completed last year, Malaysian strengths include low cost of labour (lower than in the US, Japan, Singapore and South Korea), accumulated experience and expertise in semiconductor assembly, the presence of many internationally reputable electronics firms in Malaysia (a few of which may be induced to integrate their operations with circuit design and wafer fabrication), and the command of written English (an advantage to have in the writing of computer software).

But there are also weaknesses. Structural problems like the lack of linkages within the Malaysian electronics industry (heavily dependent on imported materials), limited size of the domestic market (thus the need for export markets), the small size of Malaysian-owned companies (having only 9.2 per cent of the fixed assets in the industry in 1983), and the low level of innovative and entrepreneural activities.

PA has also cited the lack of ancillary industries and supporting services as a major problem area. Even the wires, springs and screws have to be imported.

High productivity

According to PA, there should be well-developed ancillary industries and services for the electronics industry to expand. They include precision tooling, mould and die-making, high-quality metal fabrication, high-quality plastic moulding, wire harnessing, and high-quality printed circuit board manufacture.

The multinationals must be encouraged to remain for as long as possible because they can contribute to the development of the Malaysian electronics industry.

Mr Jerome has suggested that Malaysia's competitive operating cost environment must be maintained. We have to meet the competitive need for lower operational cost environment, high quality and high productivity operations.

The IMP has identified three so-called critical development needs:

- Diversification of Malaysia's electronics industry structure away from its current over-reliance on semiconductor assembly and test activities;
- Promotion of linkages to supplier industries as well as forward linkages to electronic equipment manufacture; and
- Encouragement of a greater flow of Malaysian capital into the electronics industry.

[9 June 86 p 8]

[Text]

TWO broad development strategies have been proposed for the development of the Malaysian electronics industry. The one which has been formulated by PA Consulting Services may be described as a cautious strategy for the future.

But what the Industrial Master Plan (IMP) has produced would certainly entail a firm and bold commitment on the part of the Government as well as the private sector; it would, moreover, take this country into the mainstream of high technology within a given time frame.

According to PA, the industry is ready to springboard into the next stage of development. "Its future development — nature and pace — hinges on decisions taken now. It is, therefore, particularly important that the correct strategy is formulated and adopted before the opportunities available dissipate with time..."

The PA study has emphasised that the foreign investors should be induced to stay put in Malaysia (they could repatriate or relocate their offshore operations anytime) for the local electronics industry to further develop.

So that they will retain their semiconductor plants in Malaysia, PA has pointed out that it is important that the ancillary industries and support services be developed.

High technology

As the local market is small, local industrialists will have to look for export markets. They must first upgrade the quality of their products and PA has advised them to go into joint ventures with the Japanese or Americans, from whom they should seek assistance in setting up local R&D facilities.

"If Malaysian industry is to be export oriented, it will have to invest in R&D locally in order to keep abreast with technology and to remain competitive..."

The PA strategy is actually for full integration, product specialisation and step-by-step development. Production should be fully integrated (vertically upstream and downstream) with product specialisation. "By this, we mean full manufacturing integration commencing from raw materials through parts and components to the final finished product..."

According to PA, there are three starting points in the semiconductor industry, local assembly of audio-visual products, and microcomputer assembly (recently established by the Melawar group). The first two sectors have been described as "ideal nuclei for Malaysia's infant electronics industry."

[illegible] n industrialists are advised to concentrate on well-developed technologies at this stage. "Considering Malaysia's state of development, we feel that the electronics industry should not venture into the high technology end at the present moment..."

After the semiconductor industry has matured, PA has proposed as the next step the establishment of the printed circuit board (PCB), which is used for mounting the chips, and PCB assembly industry.

"Development of the PCB assembly industry will facilitate the downstream usage of semiconductor chips.

"Moreover, by contract assembling for a more advanced principal, the contract assembler learns and gradually progresses up the technology curve. Ultimately, when the learning process has been completed, the next stage of development will be reached in which indigenous designs are manufactured..."

The IMP has identified the main objectives, mapped out the strategies, and set the targets for the development of the electronics industry up to 1995.

The principal development objectives have been identified as accelerating the rate of growth of the consumer and electronics subsectors, fostering the development of critical supplier and support industries, encouraging investment in higher value-added activities (particularly design, research and development), increasing local investment, and upgrading semiconductor assembly and test activities.

The IMP has also come out with a mix of development strategies:

Product and process development. To develop the electronics industry, Malaysia has to upgrade both product technology (introducing products of progressively more sophisticated design and engineering) and production technology (using state-of-the-art techniques and integration of the existing base into upstream and downstream manufacturing).

"Presently, Malaysia's electronics industry is relatively advanced only in a narrow range of production technologies but extremely underdeveloped in terms of vertical integration..." Thus the need to promote greater local initiative in product design as well as to promote vertical integration and diversification.

Production techniques

Export orientation. "Malaysia needs to be able to export in order to realise economies of scale. Thus, the products which Malaysia chooses to produce must be selected with the reasonable prospect that the products will be able to compete in international markets with little export subsidies from the Government..."

Other elements in the IMP development strategy include forging linkages within the electronics industry and with the rest of the manufacturing industry, technology acquisition, Government procurement to help create a domestic market for certain electronic products (such as data processing equipment), and development of a diversified product profile (to stabilise demand).

Moreover, more favourable conditions should be created over the next five years for the pursuit of a "niche-oriented" strategy from 1990 onwards. This entails the expansion of skilled labour in various fields related to electronics production, especially the supply of electronics technicians.

The main development targets up to 1995 are:

- Restructuring of the industry (enlarging the shares of industrial electronics in the total electronics output from 5.7 per cent in 1982 to 15 per cent in 1995, and of consumer electronics from 8.7 per cent to 24 per cent, while reducing the share of electronic components from 85.6 per cent to 61 per cent);
- Increasing local content by building stronger linkages to the local supplier and support industries over the 10-year period;
- Increasing the value-added share in the total output of the electronics industry (from 28 per cent in 1981 to 33-35 per cent by the end of 1995); and
- Increasing local investment in the electronics industry.

According to the Fifth Malaysia Plan (1986-90), the country is expected to move into high-technology electronics industries. There is also a growing domestic market for consumer electronics, selected industrial electronics, and non-semiconductor components.

Apart from encouraging the development of consumer electronics, selected industrial electronics, and non-semiconductor components, efforts will also be made to strengthen backward and forward linkages within the industry and strengthen material and component suppliers so that their product cost and quality will be competitive with imports.

New production techniques will have to be introduced and existing production capabilities will have to be upgraded.

While the Government can provide administrative guidance, incentives and even inspiration, the development of the Malaysian electronics industry remains largely in the hands of local entrepreneurs, engineers, systems designers, and technicians.

The IMP provides what the experts have called an indicative plan to show the strategic direction for the envisaged development of a technologically autonomous electronics industry in Malaysia.

[11 June 86 p 8]

[Text]

ACCORDING to the Industrial Master Plan (IMP) which has been prepared for the Government by Malaysian Industrial Development Authority (Mida) in collaboration with the United Nations Industrial Development Organisation (Unido), Malaysia's electronics industry in 1995 should be far more autonomous than it is today.

"In other words, technologically Malaysian firms should possess the ability by then to undertake a significant amount of local product design, development and engineering, at least for equipment and components of low to moderate complexity..."

By then stronger intra-industry linkages should have been developed, with the local component industry developing alongside the consumer and industrial electronics industries, and enabling the latter to source more of their component needs locally.

Inter-industry linkages between electronics and other manufacturing industries should also be much stronger by 1995.

The most dramatic change is envisioned with the planned restructuring of the electronics industry: the planned reduction of the electronic components subsector together with the expansion of the other two subsectors (industrial and consumer electronics).

Central to the IMP development strategy is its product strategy with a time frame for the promotion of specific products in both the domestic and international markets — products of sufficiently high quality and reliability that will be supplied at competitive prices.

Highest priority

Three main objectives have been spelt out for the first five years of implementation (1986-90). They are:

- To strengthen material and component suppliers, making the costs and quality of their products competitive with imports;
- To strengthen backward and forward linkages within the electronics industry; and,
- To redress the imbalance in the intra-industry structure in favour of consumer elec-

tronics, selected industrial electronics, and non-semiconductor components.

In the following five-year period 1991-95, greater emphasis is to be given to the development of industrial electronics and the component suppliers for this sector.

According to the IMP, communications equipment should receive the highest priority — including lightwave transmission systems and components like fibre optic cables and laser diodes, local area network products including those using fibre optic transmission technology, and wireless communications equipment (including components of satellite communications and microwave relay systems such as micro satellite earth stations, microwave diodes, transistors and other microwave components.)

Within the consumer electronics sector, Malaysia is expected to manufacture more sophisticated products.

Higher value-added products like video cassette recorders and digital television sets have been mentioned for special encouragement.

The component sector will have to be developed substantially and constantly upgraded thereafter.

Among the so-called critical component technologies for promotion are design and wafer fabrication of power Mosfet transistors, power integrated circuits, design of telecommunications ICs and large scale integration peripheral ICs, and manufacture of sensors, etc.

Ultimately, the experts have said that Malaysia will also need to develop the capability to manufacture/process certain strategic raw materials for the electronics industry, such as high purity metals and metal alloys, industrial ceramics and electronics-grade chemicals.

Also to be promoted is the design and development of software and integrated systems comprising both hardware and software.

System integration has been described as one of the most crucial capabilities of a technologically autonomous electronics industry. The software industry will gain increasing prominence over the next decade.

The other major elements of the IMP strategy include promoting technological capability and developing local R & D capabilities ("critical to the long-term development of Malaysia's electronics industry"), institutional support with the proposed creation of Science and Technology Institute of Malaysia (Stim) and Malaysian Technology Development Corporation (Matedec), and training of technical manpower ('the quality of the trained human resources is a critical determinant of competitiveness in the electronics industry").

The IMP has also spelt out the need for local sourcing of quality components and raw materials (necessary for the development of an integrated electronics industry), and diffusion of microelectronics-based technologies in the manufacturing and other sectors of the national economy (described as one of the most important policies for Malaysia's electronics industry).

Long-term strategy

According to the experts, such technological diffusion will not only expand the domestic market for electronic equipment and services, but also improve productivity across a broad range of economic activities. Malaysian industry will become more competitive internationally.

The experts have therefore proposed the establishment of a board to oversee policies relating to the development and application of the technologies which altogether form the information complex — including computers, communications, control, microelectronic components, and systems based on them.

They have also suggested that the Government should formulate a long-term strategy for expanding and upgrading the utilisation of computers in Malaysia.

The Government has also been urged to consider the possibility of undertaking a 10-year project to promote the application of microelectronics-based technologies to boost productivity and improve efficiency across the full range of industries and other economic sectors.

The experts have particularly recommended the use of Computer Aided Design (CAD), Computer Aided Manufacturing (CAM), and Computer Aided Engineering (CAE) throughout the whole spectrum of manufacturing activities.

They have described such an approach as one of the most effective for Malaysia to catch up with more advanced countries and to help leapfrog to a competitive industrial system.

"The Government, if it chooses to assign high priority to the development of an indigenous electronics industry over the next decade and beyond, must play a more aggressive role in the world technology markets.

It must actively seek out the technologies needed to strengthen the industry's technology base and mobilise the resources needed to acquire those technologies.

"Since many of those technologies are costly, it must be highly selective in its choices, focussing on those which are most crucial to the success of its product development strategy.

"At the same time it must take decisive measures to increase the attractiveness of Malaysia as an investment location for those global electronics firms whose technologies it seeks to acquire.

"In the last analysis, its development efforts should be informed by the understanding that the process of laying the foundations for an autonomous electronics industry may be time consuming but, once established, they should provide a firm basis for launching the electronics industry into an era of dynamic and sustained growth reaching well into the 21st Century."

/13104
CSO: 4200/1215

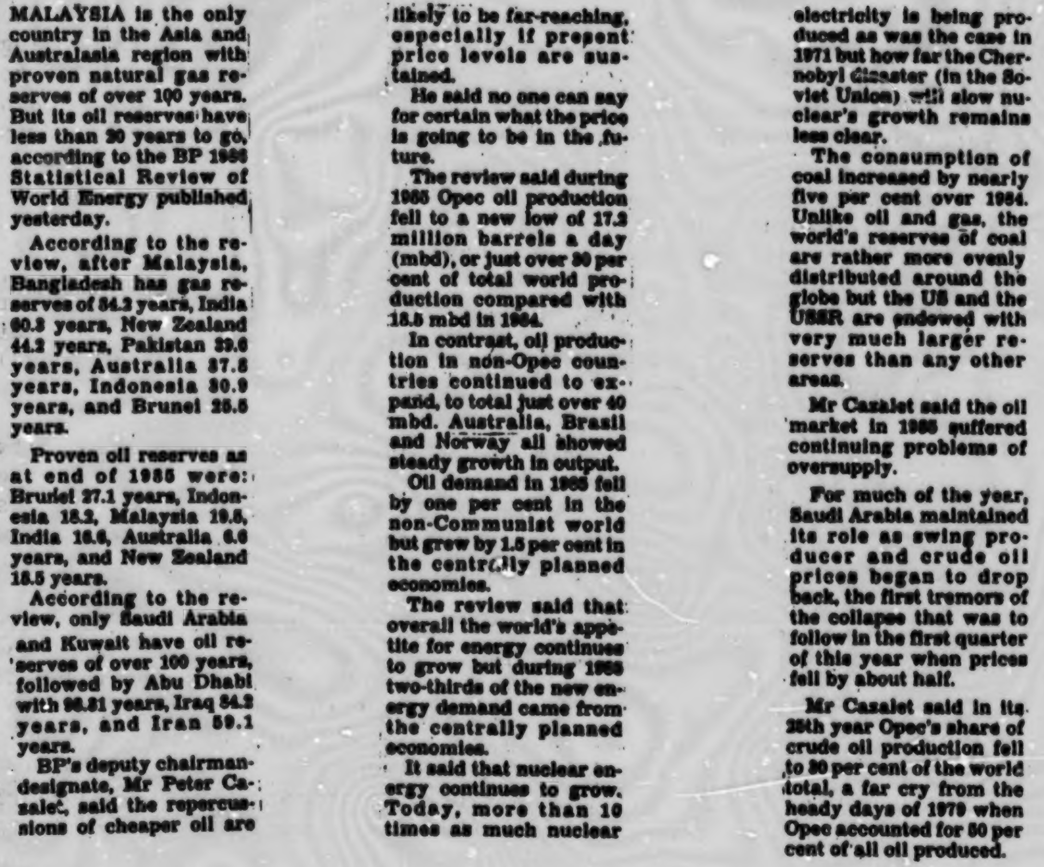
MALAYSIA

GAS RESERVES TO LAST ANOTHER CENTURY

Kuala Lumpur BUSINESS TIMES in English 25 Jun 86 p 22

[Article by Saad Hashim]

[Text]



MALAYSIA is the only country in the Asia and Australasia region with proven natural gas reserves of over 100 years. But its oil reserves have less than 20 years to go, according to the BP 1986 Statistical Review of World Energy published yesterday.

According to the review, after Malaysia, Bangladesh has gas reserves of 54.2 years, India 60.3 years, New Zealand 44.2 years, Pakistan 39.6 years, Australia 37.8 years, Indonesia 30.9 years, and Brunei 25.5 years.

Proven oil reserves as at end of 1985 were: Bruniel 27.1 years, Indonesia 18.2, Malaysia 19.5, India 16.6, Australia 6.6 years, and New Zealand 15.5 years.

According to the review, only Saudi Arabia and Kuwait have oil reserves of over 100 years, followed by Abu Dhabi with 98.81 years, Iraq 54.2 years, and Iran 59.1 years.

BP's deputy chairman-designate, Mr Peter Cazalet, said the repercussions of cheaper oil are likely to be far-reaching, especially if present price levels are sustained.

He said no one can say for certain what the price is going to be in the future.

The review said during 1985 Opec oil production fell to a new low of 17.2 million barrels a day (mbd), or just over 30 per cent of total world production compared with 18.5 mbd in 1984.

In contrast, oil production in non-Opec countries continued to expand, to total just over 40 mbd. Australia, Brasil and Norway all showed steady growth in output.

Oil demand in 1985 fell by one per cent in the non-Communist world but grew by 1.5 per cent in the centrally planned economies.

The review said that overall the world's appetite for energy continues to grow but during 1985 two-thirds of the new energy demand came from the centrally planned economies.

It said that nuclear energy continues to grow. Today, more than 10 times as much nuclear electricity is being produced as was the case in 1971 but how far the Chernobyl disaster (in the Soviet Union) will slow nuclear's growth remains less clear.

The consumption of coal increased by nearly five per cent over 1984. Unlike oil and gas, the world's reserves of coal are rather more evenly distributed around the globe but the US and the USSR are endowed with very much larger reserves than any other areas.

Mr Cazalet said the oil market in 1985 suffered continuing problems of oversupply.

For much of the year, Saudi Arabia maintained its role as swing producer and crude oil prices began to drop back, the first tremors of the collapse that was to follow in the first quarter of this year when prices fell by about half.

Mr Cazalet said in its 25th year Opec's share of crude oil production fell to 30 per cent of the world total, a far cry from the heady days of 1979 when Opec accounted for 50 per cent of all oil produced.

/13104
CSO: 4200/1215

MINDANAO NPA COMMANDER DISCUSSES ANTIPENETRATION EFFORTS

Quezon City WE FORUM in English and Tagalog 27 May-2 Jun 86 pp 10, 15

[Article by Romy Marinas]

[Text] Too many a tactical offensive gone awry. At least five cadres captured then killed under mysterious circumstances. Frequent bombing of rebel mountain lairs whose exact locations only regulars were privy to. Too often a raid of contact posts in white areas. And all these taking place between 1982 and early 1984 in the heavily consolidated New People's Army (NPA) strongholds of Bukidnon and Misamis Oriental. Somehow, thought Ka Toting, something or someone must be responsible for the NPA's precariously low batting average that did not quite tally with projections made in 1980 when the "people's war" entered the "advanced substage of the strategic defensive." It took Ka Toting and the other high-ranking members of the NPA's North Central Mindanao Regional Operational Command until the second quarter of 1984 to realize that deep penetration agents, or DPAs, had wormed their way to the higher echelons of the Communist Party of the Philippines (CPP) and the NPA in the region.

Ka Toting, in an interview with WE FORUM somewhere in Central Luzon two weeks ago, revealed that they finally moved in on the "zombies," as what they call the DPAs, in January 1985, or after nearly six months of a thorough "social investigation" of each and every party member and mass activist in the guerrilla zones and the urban, or "white," areas.

The regional operational command arrested three suspects that January. All confessed to spying at the behest of the Philippine military and Kilusang Bagong Lipunan mayors and governors. They implicated about a thousand more zombies, including one former captain of the Philippine Constabulary (PC) 57th infantry battalion. Most of the zombies, however, were poor peasants, workers, and middle-class allies although some were religious leaders and a few were Mata Haris. The youngest DPA the command busted was a 14-year-old boy. The others were in their late thirties or early forties.

["They readily confess," Ka Toting said. "They tell us right away that they serve the people. We ask them then how they could serve the people when they have the houses of the masses burned, when they have bombs dropped on us? They then say that that's how they are supposed to say when they are discovered. That's what they were told to say."]

The first tell-tale signs that undesirable elements were sabotaging the underground mass movement, said Ka Toting, were noted in Bukidnon in 1982 when the famed guerrilla front in the province began bungling one tactical offensive after another. He said they also noticed that bombings by the Philippine armed forces were hitting their marks. Government search-and-destroy teams were raiding rebel camps at will. For the first time since 1980, the NPA found itself on the defensive, the euphoria over the seizure of two machineguns from the Philippine Marines in two separate skirmishes in early 1982 giving way to the rethinking of ideological strengths and weaknesses. Ka Toting admitted that they barked up the wrong tree, saying that they should have "streamlined" Party and army structures instead.

["We were indeed alarmed. What's going on?" All the time we have training, we have education, but there has been no effect whatsoever. It seems as if all this guidance has not proved effective.] We were summing up our experiences practically every month when we should be doing it every three or six months. [All these many lessons have not been effective.]

Things changed for the better, said Ka Toting, a robust, bearded and mustachioed Visayan, when the regional operational command undertook what he calls "organizational cleansing."

The cleansing of CPP and NPA ranks was prompted by the discovery, in 1982 in Bukidnon, of a student infiltrator from Lanao who had passed himself off as an "exposurist."

The exposurist, actually one of 13 who entered a guerrilla zone, however, gave himself away because, Ka Toting said, he ignored instructions not to use certain mountain trails considered dangerous. Ka Toting said they scoffed at the initial suggestion that the student was a zombie just because he smoked Philip Morris, sometimes Marlboro, cigarettes and boasted a fairly large amount of money.

When finally arrested and interrogated, the student confessed to being a zombie and was immediately liquidated by the two political officers who composed the arresting team. Ka Toting later found out that the officers were DPAs themselves. Fearful of the breaching of the spy network, they acted with too much haste, meting the death penalty on the student zombie only a day after the latter's capture.

["We asked them." Ka Toting recalled, "Why did you do such things without informing us first?" They answered that in any case, they have already mentioned the names of 40 zombies and that, anyway, those 40 zombies have just been inside the guerrilla zone. But then, they have already taken down the names of the Deps (DPA's) who were already inside.] Of course, we smelled something fishy, so we ordered the arrest of the two political officers." One of the officers admitted to being briefed by the Military Intelligence Group (MIG) and the Regional Security Unit (RSU).

The admission, however, did not break the spy ring, one reason being, Ka Toting revealed, the "shocking" discovery that several "responsible comrades" (who turned out to be zombies also) had already entrenched themselves at the CPP's "district" level. These "comrades," he said took pains in "telling us to exercise utmost caution and prudence" when the regional operational command edged closer on the ring leaders. Ka Toting told WE FORUM that they are now ferreting out "no more than 100" DPAs.

The term "zombies" was coined by the North-Central Mindanao Regional Operational Command for want of a code name that would not be easily deciphered by the peasant masses of Bukidnon, Misamis Oriental, and Agusan del Norte. Its choice, said Ka Toting, was also influenced by zombie movies being shown in 1982 in Cagayan de Oro City. And as they multiplied just like in the movies, he said, their "crimes" against the people followed suit.

Ka Toting classifies zombies into two: the military and the civilian. The former are mostly enlisted men lured with money and promotion in rank after six months. A bonus is given for every CPP or NPA cadre they kill. They get a monthly allowance of P1,200-P1,800 which goes to a bank book held by a legal holder, usually another military man or a relative, a cousin, a mayor, or a governor. Ka Toting said one zombie's bank book showed a deposit of P92,000. Some have three-year contracts [..."just like the Saudis ...] but these are usually the "lone rangers" or DPAs instructed to go after the more strategic military or staff positions in the CPP and the NPA and asked to report only once a year.

The civilian zombies, meanwhile, far outnumber the military DPAs and are mostly ex-members of the Anti-Communist League of the Phlipppines (ACLP). They undergo orientation seminars conducted by the military and receive the same monthly allowance the enlisted men get. Their funders are usually the local petty bureaucrats.

For both the military and civilian DPAs, gaining entry into a guerrilla zone or a people's organization was easy especially in 1980-1981 when a mass recruitment of activists and NPA fighters was undertaken. This, according to Ka Toting, was one grave error, enabling ACLP members to infiltrate at will by merely "surrendering" their membership cards.

"Education work was neglected to the extent that during the cleansing, we learned that those we recruited in 1980-1981 had not undergone the basic party courses. [We didn't have the time to go over the personal and political biodata because, first of all, they looked like everything was in order, and second of all, there were so many memos coming in, especially in 1983-1985. There was also too much expansion, mass organization all over the place."] One major factor that enabled the zombies to gain ground on the top party and NPA posts, Ka Toting rued, was the "premature recommendation" for the recruits to become party members.

"Those recommendations played right into the hands of the zombies," he said. ["They just fitted right into the Deps."]

The North-Central Mindanao Regional Operational Command holds the zombies directly responsible for the death of some 100 NPA fighters, men, women, and children in Bukidnon and Misamis Oriental. It calls recent military reports accusing the NPA of holding hostage some 1,000 residents of Claveria, Misamis Oriental as "preposterous." The real score, it says, is that the "hostages" are actually evacuees forcibly driven out of their homes by the new armed forces, with the help of the zombies, who had earlier burned down the huts of the mostly peasant "hostages." Arson, Ka Toting said, is just one crime the military and the zombies are consistently pulling off.

During their heyday, the zombies used a more persuasive tack. They urged the people in the NPA expansion areas to surrender or to join the Civilian Home Defense Forces (CHDF). Refusal made a resident a prime candidate for "salvaging" or his house a foregone tinderbox. They gambled and encouraged prostitution, fretting on the iron discipline imposed by the CPP and the NPA. They scared the masses by conjuring up Kampuchea images ["(Revolution simply causes society lots of problems, so let's just relax,"] Ka Toting quoted them as saying.)

["They are wild too.] They kill indiscriminately. [For instance, they hit a traffic policeman, although it would have been rather easy to disarm him. The same case happened to an informer who was not incorrigible at all, they hit him too."] Zombies posing as NPA acupuncturists or medics also had murder on their mind, pinning needles on the wrong acupuncture points or prescribing the wrong medicines.

Even after the North-Central Regional Command had smashed the DPA apparatus, the peasant masses still were beside themselves with fear and confusion, reproaching the NPA as "no being different from the AFP (Armed Forces of the Philippines)." But after the cleansing--and punishment--of the guilty parties, Ka Toting said they finally "understood." The command, however, has yet to explain to "probably a thousand more," including those being held hostage in Claveria.

The zombies whose records show no "blood debts," said Ka Toting, are given safe passage to leave a guerrilla zone or a mass organization or, if they chose to stay, are given trial work, e.g., health education, teaching reading, writing, and basic mathematics. Those proved to be "murderers or incorrigible informers" are meted out revolutionary justice, swiftly and immediately."

["It's rather difficult to spare those with blood debts,"] Ka Toting reasoned, adding that they did not have second thoughts on the zombies who engineered the murder of peasant rights advocate Greg Fabro. Fabro, he said, was gunned down at the behest of a Misamis Oriental mayor.

["The other KBL mayors had no comments when the Deps were exposed."] Ka Toting said. ["And now, you see, they cannot form (another group) because many of them (the Deps) have been replaced."] He named as zombie funders one mayor in Misamis Oriental, one in Agusan del Norte, and another in Bukidnon; an ex-member of parliament from Bukidnon; and a "warlord in the Misamis Oriental provincial capital" whose arsenal includes radio transceivers.

The Philippine armed forces, meanwhile, jumped the gun on the NPA by shelling areas where they had fielded zombies. Apparently, said Ka Toting, they wanted to flush out their "own kind" and to speed up the evacuation of peasants from "NPA terrorist-held areas."

["Once the masses are evacuated, they can hamlet or they can say that we take (them) as hostages,"] Ka Toting said. Once evacuated and hamletted, the zombies begin all over again.

8335/8309
CSO: 4211/67

COMMISSIONERS DIFFER ON COMPLETION DATE OF CONCOM WORK

HK300721 Quezon City Radyo ng Bayan in Tagalog 0400 GMT 30 Jun 86

[Text] It is possible that the Constitutional Commission [Con-Com] may not be able to complete the drafting of a constitution by the assigned deadline of 2 September. This was the statement by former speaker Jose B. Laurel, veteran politician from Batangas. Laurel said that excessive discussions, petty arguments and debates could hamper the work of the Con-Com. [passage indistinct]

Meanwhile, commissioner Teodulo Natividad assured that the Con-Com could finish the drafting of the constitution on schedule because all members of the Con-Com are working hard to ensure that the work will be completed on 2 September.

At the same time, Natividad stressed the importance of holding public hearings on the constitution to solicit public opinions. Here is more from commissioner Natividad.

[Begin Natividad recording] ...and I feel that however wise the commissioners may be, one can always feel the pulse of the nation and get many suggestions from ordinary citizens through the public hearings. These should all be taken into account by the best lawyers, constitutionalist and parliamentarians. I think that this is the best way to ensure that the constitution could be acceptable to the people once it has been drafted and submitted to plebiscite. [end recording]

/9604
CSO: 4211/68

EDUCATION MINISTER PROMISES DRIVE AGAINST ILLITERACY

HK300615 Quezon City Radyo ng Bayan in Tagalog 0400 GMT 30 Jun 86

[Text] Education Minister Lourdes Quisumbing promised that she would exert all efforts to resolve the country's illiteracy problem. She said that she would try to wipe out the problem by the end of the century with the help of the government and the people. She also said that she would ask President Aquino to allocate more money for educational projects, adding that she would ask that the education budget be raised from 5 to 7 billion pesos. Let us listen to Tony Valencia for added details.

[Begin Valencia recording] In line with the drive to wipe out illiteracy in the country, Quisumbing said she believed all Filipinos should be entitled to an education, albeit to secondary level only. She added that this is being implemented by the government and this explained the increased enrollment this year. When asked the reason for this drive when the Philippines is already hailed as having one of the highest literacy rates in the region, Quisumbing pointed out that there is no basis for such a claim and that it is not uncommon practice of officials of the previous administration to exaggerate figures for political purposes. At present, the Ministry of Education and Culture and Sports is coordinating with the National Census Office and the National Economic Development Authority to get the correct number of illiterates as part of the anti-illiteracy drive. [end recording]

/9604
CSO: 4211/68

PHILIPPINES

BRIEFS

KIDNAPPERS THOUGHT PRIEST 'CIA'--French missionary Father Michel de Gigord, who was released last night, expressed belief that his kidnappers belonged to the Moro Islamic Liberation Front. [passage indistinct] According to Gigord, his kidnappers treated him well during his 21 days of captivity. He also said that the kidnappers thought they could get a huge ransom, believing that he was a CIA member. Earlier, the kidnappers had demanded 300,000 pesos as ransom. Former Lanao del Sur Governor Ali Dimaporo intervened to secure the release of the French missionary. [Text] [Quezon City Radyo ng Bayan in Tagalog 0400 GMT 26 Jun 86] /9604

DIMAPORO WANTS 'SEQUESTRATION' HALTED--Former Lanao del Sur Governor Ali Dimaporo appealed to the Aquino government to stop what he called exasperating witchhunting, illegal sequestration and violation of law in dismissing duly elected local officials. Bimaporo made his appeal in a TV program Interaction. According to the former governor, the government should give priority to issues in the economy and the peace and order situation as well as to issues being used as weapons by communists whose influence and forces are growing rapidly. Dimaporo stressed the vicious effect of sequestration, freeze and hold orders issued by the Presidential Commission on Good Government which was recently granted blanket authority by the president. [Text] [Quezon City Radyo ng Bayan in Tagalog 0000 GMT 30 Jun 86] /9604

LOWER EEC TARIFF--President Corazon Aquino urged the European Community to reduce tariffs imposed on imported Philippine coconut oil. In her meeting with Von Eckelen, Netherlands' state secretary for foreign affairs and concurrently EEC president, Mrs Aquino explained that tariffs imposed on Philippine coconut oil are higher than that on Malaysian palm oil. She expressed hope that the Philippines will be given equal treatment in its export of coconut oil to the European Community. The visiting EEC official promised to convey her request to the EEC. In discussing with Von Eckelen the EEC's success in integrating the countries of Western Europe, Mrs Aquino said that the member-states of ASEAN are also striving to promote close cooperation in all fields. [Text] [Manila Far East Broadcasting Company in Tagalog 1100 GMT 26 Jun 86] /9604

CONCOM PUBLIC HEARING ON MEDIA--The Constitutional Commission began its public hearing on four resolutions on the media and communications industry at the Batasang Pambansa building in Quezon City at 0200 this afternoon. Resolution No 49, presented by Commissioner [Vicente] Foz, states that employees of media corporations and institutions should be given the right to become part owners of said entities. Resolution No 164, authored by Commissioner Florangel Braid, provides that communications and media should uphold, enhance, and protect the national cultural identity. Resolution No 200, also by Braid, calls for the establishment of an agency to promote the development, supervision, and formulation of policies for communications. Resolution No 215, on the other hand, urges the Filipinization of the media and communications industry. [Text] [Manila Far East Broadcasting Company in Tagalog 1000 GMT 27 Jun 86] /9604

ARMY-CIVIC LITERACY PROGRAM--Poverty and degradation won't be a target of the black propaganda of the NPA as their primary instrument to convince the community to join their group, according to the commander of the 1st Infantry Division at the graduation of 300 students in the Army Literacy Patrol System, which is being launched in the municipalities of Santa, Teresita, and La Salle, Cagayan. Colonel Orella concluded that it is important that the barangays undergo education to elevate the standard of living and also to shun the mind poisoning done today by the NPA. According to the brigade chief, the government would only succeed in its campaign against the rebels if all the citizens unite and cooperate so that the NPA can be destroyed. Meanwhile, the Army Literacy Patrol System is one of the big improvement projects of the 1st Infantry Brigade, which is planning to free the community from poverty and degradation. [Text] [Laoag City Nation Broadcasting Corporation Station DWRI in Ilocano 2300 GMT 27 Jun 86] /9604

CSO: 4211/68

SEMINAR EXAMINES ECONOMIC PROBLEMS

Kuala Lumpur NEW STRAITS TIMES in English 12 Jun 86 p 10

[Text] SINGAPORE; Wed. — Business may be improving but two facts show clearly that Singapore is not yet out of the woods, acting Trade and Industry Minister Brigadier-General Lee Hsien Loong told pre-university students yesterday at a seminar on the economy.

These are:

- Unemployment is rising. At the end of March, 6.1 per cent of the workforce was unemployed. The figure has now worsened to 6.3 per cent.
- Singapore is far behind the other newly-industrialising countries in the region. Taiwan and South Korea are expecting growth of more than eight per cent this year and Hong Koug more than five per cent. Singapore, in contrast, expects its economy to shrink by 1.5 per cent.

Singapore should spend this and the next year catching up with them, said Brig-Gen Lee, who expressed concern that rising expectations might distract companies from keeping to the government's measures to keep wages, and costs, down.

So, while there might be encouraging signs that the economy was turning around, companies should not be misled, he warned.

"The signs are bleaker than they seem. Therefore, we must hold fast to our course," he said in his opening address at the Pre-U Seminar at the Nanyang Technological Institute.

Singapore, he stressed, must continue to work toward lowering operating costs, allowing companies to make more profits and to severely restrain wages.

Afterwards, when speaking to reporters after the opening, he also pointed out that the pick-up in business experienced by some companies might be just part of a "quick turnaround." It did not mean Singapore's economic troubles were over.

The same note of caution was first sounded by First Deputy Prime Minister Goh Chok Tong on May 30 when he visited a vocational institute in Ang Mo Kio.

Prime Minister Lee Kuan Yew again emphasised the point when he spoke at the Tanjong Pagar constituency's annual celebrations on June 1.

Earlier, in his address, Brig-Gen Lee said the government's package of economic measures, which included a cut in employers' contributions to the Central Provident Fund and wage restraint, had yet to be felt.

The goal — to restructure the economy from being merely an offshore production centre for developed countries to being a total business centre offering a range of services — was still some distance away.

Brig-Gen Lee emphasised that if Singapore were to fail, it had better not be because it did not do what it had intended.

He said it was critical that companies understood the message because National Wages Council (NWC) negotiations were now taking place.

So far, some 40 per cent of companies, including government agencies, had completed negotiations and the settlements were "in line" with the national policy.

These companies were mostly in the shipbuilding and repairing industry which, on the whole, was not doing well.

The other 60 per cent, comprising mostly private sector companies, were now negotiating with the unions on NWC settlements, and it was important that they understood.

"If there are further uncertainties, we will clarify their doubts so that there are no ambiguities at all," he said.

At the peak of the economy in the third quarter of 1984, 1.25 million people were working. This number, he said, had since shrunk to 1.18 million. — ST

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CSO: 4200/1217

THAILAND

NEW LOCALLY MADE INFANTRY RIFLE EXAMINED

Kuala Lumpur ASIAN DEFENSE JOURNAL in English Apr 86 pp 36, 37

[Article by Nick Nichols]

[Text] Following a prevailing trend in the "emerging nations", Thailand is beginning to produce indigenously designed weaponry. Bouyed by the success of Singapore Defence Industries *SAR 80* and *Ultimax 100*, Rung Paisal Industry Company, Ltd. determined to locate and/or design a series of infantry arms which could be cost-effectively produced at the firm's Tambon Minburi facility.

With a keen eye on the export market as well as governmennt orders, Rung Paisal began to assemble a product line which features their own versions of popular weapons from both sides of the Iron Curtain. Their *Yongyuth M19*, for example, is strikingly similar to the U.S. M79 40mm grenade launcher. Warsaw Pact arsenals obviously yielded the inspiration for Rung Paisal's *Yongyuth M 26* (RPD light machine gun), *Yongyuty M 2* and *M 7* (RPG 2 and RPG 7 respectively). But in all fairness, the Thai products are of high-quality manufacture, yet their prices are very competitive with the originals — in some cases *half* that of the imported models.

AN "ORIGINAL" ASSAULT RIFLE?

Of the products observed during a demonstration I attended at the Thai Ranger facility in the Pak Thong Chai District (near Nakhon Ratchasima), one in particular seemed *not* to be a "clone" of a U.S. or Soviet system. Casual inspection revealed an assault rifle which appeared to be an M16/AK-47 hybrid of sorts. Unlike the aforementioned weapons, this small arm — called the *RPS-001* — was purported to be a Rung Paisal original. the product of "20 years of interest in weaponry" on the part of the company's managing director, Kraisach Manadamrongtham. The director himself is said to have conceived the design, though he admits to having no formal experience in this field.

Unfortunately, Manadamrongtham is mistaken. His RPS-001 is, in fact, a *very* close copy of the Czech *Samopal vz. 58P* assault rifle. To Rung Paisal's credit, there are several differences between the two: the Czech rifle is 7.62 X 39 calibre and utilizes either solid wooden furniture (earlier models) or the wood-impregnated plastic common to more recent Warsaw Pact small arms; for the RPS-001, Rung Paisal selected the 5.56 NATO round and high-impact synthetics for the buttstock and handguards.

Rung Paisal made several wise decisions regarding their new assault rifle. In retaining the conventional drop-comb shape of the vz. 58P's stock, they have provided for an improved cheekweld (and accuracy) over the in-line designs common to most ARs. The one characteristic Rung Paisal should have copied but didn't, is the folding stock of the vz. 58V. Rather, the Thai firm chose to offer a short-barreled carbine version of the rifle under the nomenclature of RPS-001S. The ribbed pattern of the handguards — reminiscent of the M16A2 — provides better purchase and improved stability and the M16-style pistol grip is adequate.

WELL PUT TOGETHER

The RPS-001 reflects a high degree of attention to detail in both fit and finish. The steel receiver of this robust rifle reveals precise mill work, and sheetmetal stampings are clean and well-defined. The weapon is well-balanced and finished entirely in a tough black matte; a durable synthetic box magazine (available in 20 or 30-round capacity) rounds out the picture. The sturdy front sight assembly is quite like that of the vz. 58, with the exception that the RPS-001 version features a lug which accepts the standard M16 bayonet (M7).

Though cosmetically similar to the AK-47, the vz.58 (and RPS-001) differs significantly in operation. Rather than utilizing the rotating bolt and swinging hammer of the Kalashnikov action, the vz. 58 incorporates an unorthodox tilting bolt and axial hammer setup — it is strangely similar to the locking system found on the German P-38 pistol!

Rung Paisal has thoughtfully provided for the left-handed operator through a removable charging handle which can be relocated to either side of the bolt carrier. But for this credit there is also a debit: the magazine release switch is located in a small space between the rear of the magazine and the trigger guard, the latter of which required an indentation to allow the free operation of the switch. Functioning is clumsy and difficult to perform without visual contact.

SAVING THE BEST FOR LAST

By far and away the most impressive feature of the RPS-001 was a seemingly incidental one — its combination muzzle brake/flash suppressor. This deceivingly simple fixture is the one aspect of the design which is indeed totally original. The muzzle brake characteristics of this appendage make the RPS-001 an uncommonly comfortable rifle to fire, both in semi and full-automatic modes, as it significantly reduces muzzle climb and felt recoil.

Many small arms authorities contend that these two qualities (muzzle brake and flash suppression) cannot be engineered into the same device — it's either one or the other. *This one does both.* To prove the point, Rung Paisal representatives let me fire a Colt *Commando* (abbreviated version of the M16) fitted with the RPS-001 muzzle brake/flash suppressor. The results were impressive — there was virtually *no muzzle flash!* By contrast, the unmodified weapon, with its stock four-inch long "flash suppressor", produced a ball of flame the size of a melon and required a firm grasp to limit muzzle climb.

To test controllability, we were encouraged to fire semi and full-auto strings from a standard M16 rifle fitted with the device. Again, I was impressed. The modified M16 could be fired on full-auto with one hand — the muzzle stayed put.

The RPS-001 represents a fine balance of sound engineering principles, excellent quality control and reasonable cost (approx. $400 per unit) — all key attributes in securing the export market. The weapon is currently being supplied to the Thai Special Forces, and Manadamrongtham reported that Rung Paisal has high hopes for larger government orders when the firm enters full production in the near future. ■

RPS-001 TECHNICAL SPECIFICATIONS

Calibre:	5.56 X 45 NATO
Operation:	Gas (adjustable), selective fire
Overall length:	102.87cm
Barrel length:	49.53cm
Weight, loaded:	3.20kg
Feed:	Detachable box magazine
Sights:	Open, fully adjustable, 100-800 metre settings
Cyclic rate:	600-650 rpm
Effective range:	400 metres

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CSO: 4200/1200

THAILAND

MILITARY TO HOLD SEMINAR ON COMBINED OPERATIONS WITH MALAYSIA

Kuala Lumpur ASIAN DEFENSE JOURNAL in English Apr 86 p 97

[Text]

Military authorities in southern Thailand will be holding a seminar in Songkhla to discuss on the issue of "combined military operations" in which Malaysian soldiers will be allowed to cross the common border to join in suppression campaigns against Communist Party of Malaya (CPM) insurgents.

Maj. Gen. Kitti Ratanachaya, commander of the Combined Task Force (Thai), said recently that the seminar is to be held sometime this month. The general's unit is responsible for mounting counter-insurgency operations against the CPM on the Thai side of the border.

The outcome of the discussions will be put forward to the Fourth Army Region and the Government for consideration, said the 50-year old two-star general, who is also the commander of the 5th. Infantry Division with its headquarters at Nakhon Sithamarat.

Among those to be invited to the seminar will be academics, government officials with experience in security work as well as retired senior military personnel who had experience in counter-insurgency campaigns, Maj. Gen. Kitti said.

Malaysia has since 1981, frequently proposed to Thailand the idea of launching combined military operations in which Malaysian soldiers are allowed to cross the border to join Thai forces in suppressing CPM insurgents operating from Thai territories especially in Yala Province.

However, the idea has been rejected by the Thai government who feel that such joint operations will not be in the interest of the Thai public. To date Thai-Malaysian military cooperation against the CPM has been limited to unilateral or coordinated operations. Both types of operation make no provisions for Malaysian security forces to cross the border in hot pursuit of CPM insurgents.

According to Maj. Gen. Kitti, among the topics to be discussed at the seminar will be on the practicality of using helicopters to airlift Malaysian soldiers from their border bases directly to the area of operations in Thailand.

To avoid friction with the local population, Malaysian soldiers will not be stationed in Thai towns since such practice had sparked protests by residents of Betong District in the past, the divisional commander said.

He further added that following the completion of each joint military operation, Malaysian forces will be airlifted back to their country.

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CSO: 4200/1200

DISPUTE OVER AWARD OF MILITARY CONTRACT

Kuala Lumpur ASIAN DEFENSE JOURNAL in English Apr 86 p 97

[Text] The Fourwind Company, which was subcontracted to ship arms from the US to Thailand, is an illegal firm which has no operating licence. This was disclosed recently by Thai Deputy Communication Minister Boonthiem Kemaphirat.

The US-based company was chosen by the Thai Armed Forces and the Supreme Command to undertake the delivery of arms purchased from the US by the Thai Government under the Foreign Ministry Sales Programme. The Communications Ministry and the state-owned Thai Maritime Navigation Company, on the other hand, were in favour of another American company, Panapina.

A disagreement broke out last year between the Communications Ministry and the Supreme Command over the awarding of the contract to carry out the arms shipment. The Supreme Command finally won the tussle and Fourwind Co. was awarded the contract.

According to Boonthiem, he was notified by officials that the US government had launched an investigation into Fourwind Co. and had discovered that the firm had no licence to operate maritime services.

"The discovery shows that the Communications Ministry had made the right decision (in rejecting Fourwind) which was overruled by the military," the deputy minister said.

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AIR FORCE WHITE PAPER ON PROCUREMENT OF F-16A

Thailand Kuala Lumpur ASIAN DEFENSE JOURNAL in English Apr 86 p 98

[Text] Thailand needs the squadron of F-16A fighter bombers it has ordered from the United States to cope with an increased Vietnamese air threat. This was disclosed by a Royal Thai Air Force (RTAF) spokesman recently in Bangkok. (See: ASEAN News" Growing Uneasiness Over RTAF F-16A Procurement Programme" *ADJ* 1/86)

The RTAF said in its 22-page "white paper" that the F-5E Freedom Fighters which are the backbone of Thailand's air defence are not enough to meet the Vietnamese and the Soviet challenge. The "white paper" chronicled the air force's efforts to convince Parliament and the Budget Bureau that besides being justified for security reasons, purchasing of the F-16A was financially prudent.

The RTAF claimed that the F-16 was economical on a long-term basis, despite high initial investment. The aircraft, which can out-manoeuvre the MiG-23, has a life span of twenty years.

It also noted that it had reduced its order from twenty to twelve F-16s — eight one-seaters and four twin-seaters — to fund the purchase out of its own budget. The $378 million contract is payable in installments over five years. (See also: ASEAN News "Jakarta To Buy F-16As To Counter Soviet Threat" *ADJ* 4/86).

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4TH ARMY TO SET UP FORWARD COMMAND IN YALA

Kuala Lumpur ASIAN DEFENSE JOURNAL in English May 86 pp 98-99

[Text] The Thai Fourth Army Region plans to set up a forward command in Yala Province to coordinate security efforts against the Communist Party of Malaya (CPM). According to a military source, the idea of establishing the command was adopted at recent talks to find ways to counter insurgency activity in the southern provinces.

The source noted that at present there are two units responsible for counter-insurgency operations in the southern provinces. They are the Civilian-Police-Military Command 43 (*Por-Tor-Thor 43*), headed by COL. CHAMMONG PAIROJ, which has jurisdiction over security matters in Yala, Pattani, Narathiwat, Songkhla and Satun provinces, and the Combined Task Force (Thai), led by MAJ. GEN. KITTI RATTANACHAYA, who is also the commander of the Songkhala-based Fifth Infantry Division.

The absence of a central body to coordinate suppression efforts was cited for the ineffective drives against the CPM in the past. The last counter-insurgency operation, code-named *Taksin 8601*, which was jointly launched with Malaysian in February of this year, had failed to locate any big communist strongholds, but several Thai and Malaysian soldiers were seriously wounded by booby traps. The Malaysian 6th. Infantry Brigade and Task Force 083 participated in operation *Taksin 8601*, while Thailand was mainly represented by units from the 5th. Infantry Division.

According to Col. Chamnong, the forward command will be used as the army's headquarters for planning and launching military operations against communists in this province — estimated last year at some 1,000 armed guerillas in the area near the Thai-Malysian border. A similar forward command was set up in Surat Thani Province in the early 1980's by former Fourth Army Region Commander Gen. Harn Leenanond.

Apart from this, the colonel said, the outpost will also be used for directing and controlling the army's development projects in captured CPM camps. "These projects are very important if the CPM is to be prevented from spreading its authority over the people (in this province)," he said.

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CSO: 4200/1199

THAILAND

SECURITY HAMLETS DESIGNED TO THWART CPM

Kuala Lumpur ASIAN DEFENSE JOURNAL in English May 86 p 98

[Text] According to a senior Thai military commander, Thailand may steal a page out of British military history in attempting to resolve one of the oldest guerilla conflicts in the world. Maj. Gen. Kitti Ratanachaya, Thai commander of a Malaysian-Thai Combined Task Force against Communist Party of Malaya (CPM) guerillas, said in a recent interview that the present search-and-destroy tactics would never root out an estimated 1,800 CPM insurgents hiding in dense mountain jungle in southern Thailand.

Gen. Kitti said Thais living along the border with Malaysia should be resettled in protected villages near the sites of seized CPM camps. In an attempt to tame the region, roads would be built through the jungle to the new villages and the army would not only protect the settlers but help them grow and sell crops.

He said the idea of applying this tactic to Thailand's trouble southern border came to him while reading accounts of how British colonial forces set up such villages in their struggle against the CPM. He refused to give an overall cost estimate for the project until the Thai Parliament approved it.

The Thai army used a similar strategy of troop-assured rural development to defeat the Communist Party of Thailand (CPT) in the north in the early 1980s. But this has not been tried in the south, where Thailand has since 1979 carried out joint operations with Malaysia against the CPM.

The CPM has been fighting since World War Two to carve out an independent state in Malaysia, grappling first with the British colonial administration and then the independent Malaysia. The Thais have entered the struggle because CPM insurgents hiding out on the Thai side of the border extort at least $4 million yearly from villagers, army officers said.

The extortion, coupled with banditry, continue despite the CPM's reduced strength in recent years, according to the officers, Thai army sweeps against the CPM have been largely ineffective, said Gen. Kitti, who vehemently denied Press reports that Thai soldiers were not committed to fighting the insurgents.

The general said the February killing of three Thai soldiers, two by booby traps, in the most recent operation showed that the army was serious about restoring law and order in the region. The 18-day coordinated operation, code-named *Taksin 8601*, with Malaysian army in February cost Thailand $30,000, but only captured two CPM suspects. It was only the latest in a series of sweeps since 1979 which have captured some 100 CPM strongholds but few insurgents.

Gen. Kitti, who is also the commander of the 5th. Infantry Division, said that unless Thailand was willing to commit more than the 1,000 soldiers it has at strategic points along the 576-km border, it could not expect to eliminate the CPM with search-and-destroy operations. "The communist terrorists are not just sitting down, waiting for us (the army) to attack," said the division commander, who is known as a "hands-on" leader anxious for results.

He went on to say that the CPM tactic was to booby-trap the approaches to a camp, leaving a small contingent to watch the approach of government forces and slipping out into the surrounding jungle before the soldiers reached the camp.

A senior regional army officer said Thailand was upholding its end of the joint Thai-Malaysian agreement to fight the CPM. These guerillas, currently reduced to only a few hundred but still active as "bandits", were moving into Thai border towns like Betong to re-establish communist extortion rackets which the army had destroyed. (See also: ASEAN News "Fourth Army Region To Set Up Forward Command In Yala Province" in this issue of *ADJ*)

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CSO: 4200/1199

THAILAND

VILLAGERS ASKED TO COOPERATE AGAINST CPM

Kuala Lumpur ASIAN DEFENSE JOURNAL in English Apr 86 p 96

[Text]

Thai military officials have asked community leaders to cooperate with efforts against communist guerillas and support the village development programme, which is yet to be implemented. A military source said recently that about 160 village headmen and village community members were asked to stop assisting Communist Party of Malaya (CPM) guerillas in Betong District, south of Bangkok. He added that most of local leaders approved the request.

The village development programme, initiated by Fifth Division commander Maj. Gen. Kitti Rattanachaya, was approved recently by Lt. Gen. Wanchai Chitchamnong, commander of the Fourth Army Region. The aim of the programme was to deny the guerillas the supplies they normally receive or extort from villagers, and to protect the local community from communist harassment.

According to the source, previous suppression operations against CPM guerillas failed to curtail their influence because once the Government security forces left the seized camps, the insurgents returned and reestablished their influnces over the villagers.

The programme calls for the setting up of a sort of hamlet in a rural settlement where villagers are scattered and where protection is non-existent. Under the programme villagers would be grouped together and resettled in the hamlet to ensure greater protection — similar to the "security hamlets" used by the former South Vietnamese government during the Vietnam War.

The scheme also envisages the establishment of settlements in the areas where the communists used to have influence. The source said several agencies such as the Forestry Department, Land Department and National Housing Authority, as well as private land developers, would be invited to implement the programme.

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THAILAND

CHAWALIT SHAKES UP ISOC, SLATES ARMY INSPECTIONS

Bangkok MATICHON in Thai 6 Jun 86 pp 1, 2

[Unattributed report: "Chawalit Implements Plan To Shake Up the Military, ISOC, Personnel"]

[Excerpts] After becoming the RTA CINC, Chawalit Yongchaiyut immediately implemented a plan to shake up the military and ISOC, reduce the number of officials, and get rid of those who hold positions but don't do anything to earn their money. He has ordered a check of all personnel and vehicles in order to prepare new personnel rosters. Attention will be focused on the army's state of readiness in order to make improvements based on the goal of making the army trimmer.

A report from a source close to Gen Chawalit Yongchaiyut said that Gen Chawalit has implemented a policy to improve the efficiency of the Internal Security Operations Command [ISOC] and to reduce its budget. In order to do this, the officials responsible have submitted a memorandum to Gen Chawalit recommending that the number of slots for ISOC experts be reduced from 48 to 25. The number of slots is being reduced because some of the slots are filled in name only. No one is actually doing any work. This just wastes money.

The news source said that reducing the number of slots for experts will help improve the efficiency of the ISOC. Everyone will work hard, and their morale will be higher. In the past, some people who were transferred to the ISOC from other ministries did not carry out their duties. Only those who had been working here all along carried out the tasks and gave seminars. Reducing the number of slots for experts will not affect those released. Because most of these experts have regular jobs. Most of those serving as ISOC experts are temporary employees.

The report stated that the memorandum on improving ISOC efficiency has already been submitted to Gen Chawalit. It was submitted through channels. It is expected that Gen Chawalit will approve this in principle. The memorandum states that the changes are to take effect in October.

On the morning of 5 June at the army auditorium, Gen Chawalit chaired a meeting for all units directly subordinate to the army. The meeting was attended by the commanders of the various units.

Maj Gen Narutdon Detchapradiyut, the secretary of the army, revealed that at the meeting, Gen Chawalit informed the various military units of the policies so that they could disseminate the policies to all the units for implementation. Gen Chawalit stressed that the army would stay out of things that did not concern it. He told them not to believe those who cited his name. Instead, they should make frequent inspections. Gen Chawalit also ordered all the units to improve the efficiency of their personnel. This must be done by improving their morale, physical condition, and thinking. There must be greater unity.

The news report stated that after Gen Chawalit was appointed RTA CINC, he ordered officials to check the personnel rosters and lists of transport vehicles, including airplanes and helicopters, in order to examine land and air combat capabilities. This is to be done in preparation for making improvements and for making new personnel rosters. Those things that should be the responsibility of a certain unit should be sent to that unit. Those things that have broken down will be repaired. The purpose of this is to put the army in a state of readiness.

The report stated that the reason why this must be done as quickly as possible is that the vehicles and aircraft have fallen into a state of disrepair, and they are not at the proper units. Army aircraft, particularly helicopters, have frequently crashed, killing many lower ranking soldiers and several generals.

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CSO: 4207/257

THAILAND

DEMOCRATS OUTLINE ECONOMIC POLICY

Bangkok THE NATION in English 26 Jun 86 p 18

[Text]

LEADING Democrats yesterday announced details of an economic election platform that balances fiscal caution with the stimulation of selected areas such as agriculture and small-scale industry. Emphasis was also given to the introduction of social and health insurance, an increase in spending on science and technology, and the promotion of labour relations.

They stressed that the government's role will be kept to a minimum in order to pursue the party's policy of free trade; and the spokesman for labour affairs gave his assurance that the privatization of state enterprises would not affect employees' job security and welfare except when absolutely essential.

Krirkkiat Phipatseritham, professor of economics at Thammasat University, a supporter of the party, described the policy as a move to the right. He was invited to attend the meeting yesterday in order to debate the policy, and although he has often advised the Democrats, this time he criticized the policy as containing possible contradictions and measures that might be difficult to implement.

Compared with the elections of 1979 and 1983, the party has become less progressive, he said, and possibly this is because it has its eyes on being the leading member of the next government coalition.

Reporters and academics were invited to join the Democrat politicians at the meeting at the President Hotel. Described as a "dialogue and exchange of views" the meeting was to all intents and purposes a press conference.

The chairman, Dr Supachai Panitchpakdi, who resigned as director of the Bank of Thailand's director of the Financial Institution Supervision and Examination Department in order to stand in the election, explained that priority would be given to rescheduling the government's domestic and foreign debt. Lower interest rates would be obtained, and the maturity of the debts would be postponed, relieving the government of some of its present obligation to spend almost a quarter of all its expenditure on debt.

A Democrat government would also try to improve the effectiveness of revenue collection. Although he conceded that this might not be easy to achieve in a short period of time, he said that additional revenue staff could be hired on a temporary basis if necessary. Improved economic conditions would help the government to collect more revenue, he said, and certain tax concessions, particularly those granted to state enterprises, would be scrapped.

All this would allow the government to increase expenditure in selected areas while keeping the budget deficit under control. Supachai said that the idea is to reduce the deficit and avoid the need to borrow more. But he added that the international economic climate could change suddenly, delaying the forecast improvement in the balance of trade, which would require the government to exercise even more caution.

Asked whether the plans to stimulate certain sectors of the economy through increased expenditure would require cuts in other forms of expenditure, Supachai said that the party had plans for that as well.

He preferred not to disclose the details at the moment, saying that there would have to be negotiations with the bodies that normally receive the budget. The cuts would take the form of postponements of payments with the promise that they would be made up later, but he said the party is determined to make sure that there is no further erosion of the capital expenditure (or investment) category of the budget. The Democrats plan to spend at least 40,000 million baht per year in this category in order to create emplyment.

Care would also have to be taken with foreign exchange reserves and the countries external debt service ratio, Supachai said.

Professor Nikom Chandaravithoon, a former Labour Department director general standing in the same constituency as Supachai, said Thailand is going through the worst period of unemployment in its history. Despite having been an independent nation for 600 years, he said, Thailand still does not have any fundamental social legislation. The Democrat's policy is to introduce two separate laws setting up a social insurance scheme and providing social welfare for the deprived. Initially, the social insurance would be for health care, but later it would be expanded for the elderly and the unemployed.

Nikom said the scheme would start off on a modest scale appropriate to the state of the Thai economy.

A third piece of legislation, and one that the party has already drafted, would merge departments dealing with social welfare and labour affairs, forming a ministry-level bureau. Nikom said a matter of this importance needs ministerial authority to make policy effective. The two director generals at present responsible for these two areas have to compete with other departments for attention from their political bosses, he said.

The party's detailed labour policy was presented by former Chulalongkorn University Assistant Professor Supachai Manasphaibool, who resigned from a senior management position in the Siam City Bank to stand in the election. He said that smooth labour relations require the cooperation and mutual understanding of workers, employers and the government.

The Democrat's policy is to support the formation of worker's bodies, but this would not be encouraged to the extent that labour unions are formed too quickly. The government would have to ratify a number of international agreements that are acceptable to Thailand, he said, and he criticized previous governments for neglecting these in the past ten years.

The party's ten-point labour platform also includes job creation and training and the reform of labour laws to make them more just.

The party's deputy leader, Chalermbhand Srivikorn said industrial policy is becoming increasingly important because industry is overtaking agriculture in Thailand. The platform advocates the promotion of investment and marketing and special incentives and protection for small scale industries.

Red tape should be ironed out, and export processing zones should be set up, he said. Chalermbhand, who is a former deputy industry minister, said that representatives of the private sector should be attached to Thailand's diplomatic missions abroad and should be given specific marketing targets. They would be able to assist commercial attaches because of their business skills, he said.

He was supported by Dr Suthin Nopaket, a former business academic who stressed the importance the Democrats attach to the private sector. Suthin said the Joint Public/Private Sector Consultative Committee should be reformed to be more effective. At present, it is simply a stage for industrial and trade associations to flaunt their prestige, he said.

The party would promote professional business management, he said, and he blamed a number of company collapses on lack of professionalism.

Chaturon Chaisang, former president of the Chiangmai University students union who has broken off his studies in the United States to stand in the election, described the party's policy on agriculture, taking rice as model that could represent other crops.

The Democrats would seek to increase agricultural incomes without resorting to price guarantee schemes, he said. In the past, price guarantees had failed because the agencies implementing the policies had been ineffective, and farmers had been unable to enjoy the full benefits because few rice mills had applied to join the schemes.

He advocated the formation of a national agriculture council representing farmers, agro-industry, traders and the government, which would work out the details of policy. Farmers would be encouraged for forming groups and to expand their activities to linked processes such as milling and marketing.

He was critical of previous setbacks when farmers tried to organize themselves, particularly campaigns to destroy the movement in 1975 and 1976. And as with the other spokesmen, he urged a reduction in interest rates.

In this case, Chaturon was seeking a 2 percentage point cut in interest charged by the Bank for Agriculture and Agricultural Cooperatives. The bank's general manager, Chamlong Tohtong, has said that such a cut would mean a loss of several thousand million baht per year. Chaturon said the cut could be financed by low interest loans, a method that Chamlong has described as being increasingly more difficult.

Asked how soft loans could be obtained, the meeting's chairman, Dr Supachai, said "Apex" loans could be obtained from the World Bank provided projects were designed carefully. He named several other possible sources such as the FAO and European development sponsors, but he said that the bank's lending should be redirected towards longer term productive objectives such as the building of local storage facilities.

Asked about the party's policy on the Eastern Seaboard, Supachai said priority would be given to the deep sea port at Laem Chabang and other schemes that create jobs such as the export processing zone. He would not comment on the National Fertilizer Corp project other than to say that the present government is likely to go ahead with it.

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CSO: 4200/1199

CENTRAL BANK OFFICIAL ON ECONOMIC POLICY

Bangkok MATICHON in Tnai 26 May 86 p 4

[Interview with Suphaichai Phanitphak, the director for the regulation and inspection of financial institutions, Bank of Thailand; date and place not specified]

[Excerpts] Suphachai is considered to be the brains of the national bank and is thought to be a likely candidate for the position of governor of the national bank in the future. But today, he has resolutely decided to allow the people to decide his political future by joining the Democrat Party and running for election in Bang Kapi, Nong Chok, and Minburi. Why did he decide to do this? Let's listen to what he has to say.

[Question] Why have you decided to run for election?

[Answer] There are several reasons. My decision to run for election was not an easy one to make. Before you decide to run for election in Thailand, there are many things you have to consider. One important factor in my decision was that senior people in both economic and political circles pointed out the importance of this election and urged me to run. This is an important turning point in our political and economic systems. Politically, if the election proceeds in an orderly manner, it will be an important step forward. If we have strong parties, in the future we will have a more idealistic political system. That is, it will not be split along a large number of different political lines.

This is also an economic turning point. During the past 2-3 years, we have had to be very frugal. We still face many difficulties. We have to do a combination of things. We have to be careful about the original structure and find a way to free ourselves from the economic restrictions impinging on us from both in and outside the country. These are some of the things that senior people talked to me about.

As for what the economic line should be, I have to consult with senior people at the national bank to discuss what I should do. The national bank is very important, because it is one of the country's main economic institutions, of which there are very few. The natinal bank is an important economic institution, and we must maintain its independence. If the national bank lacks the tools and if it loses its independence and is pressured by politics, or politicians, the people at the national bank will not be able to do a good job, and it will be impossible to implement the policies.

The growth of the nation is a normal matter. Most things, if left alone, will grow on their own. It isn't necessary to change or correct certain things. But once things have grown, you have to ensure that things are fair. I think that we have to make a major effort this time. This is a broad view on this turning point. If I become a member of a political party, I think that I can help them.

In my view, the national bank will face great difficulties in implementing the economic policies if we don't help put the policies on the right track. The economy and interests of the nation must be viewed from an all-round perspective. We have to look at the interests of all groups of people and coordinate the various interests. This is not just a matter of administering business activities. You can't administer the national economy just by trying to please the shareholders. That is a mistaken idea.

[Question] What should be the main economic policy?

[Answer] We must have stable growth. That is, we must expand and distribute this growth. We can begin by viewing a growth rate of 3 percent as unsatisfactory but a 5-percent growth rate as fine. We can argue about that. I don't think a 5-percent growth rate is enough if there is sometimes a negative 5-percent rate. When I said that we must have stable growth, I was not taking a macro view. I was looking at the policies from both a macro and micro perspective. Looking at things in terms of growth, I will ask how much the north has grown and how much the south has grown. If the growth rates are very different.... I want there to be equality. I want the growth rates for those at the bottom of the ladder to be higher than for those at the top. For example, if the rate for the central region is 2 percent, that's fine. But if the rate for the northeast is only 2 percent, that's not all right. At present, there is very little growth. Actually, the rate should be 5 percent or even higher. The growth rate for the south must be higher, too. We have to determine what our weaknesses are in each region. Actually, what I want to do is form a link between the macro and micro targets.

At last year's TDRI meeting at Phatthaya, I said that we have constantly assumed, incorrectly, that we have an open economy. I asked if that was what people wanted. If you have an economy that is wide open, you will lose the advantage. You will have to run here and there begging countries for things, just like we had to do when they implemented laws. We can't do that. This shows our lack of ability. You can't go begging, because that benefits them. If tens or hundreds of thousands of their people are out of work, they will not be elected. We have to solve our problems first. If they block our goods like that, we have to respond on some other front. More talk won't help. I think that the best way is to get them to invest here. We must get more foreigners to invest here. This is easy to say but difficult to do. But we have set up barriers to keep them out. We have set various conditions. We have large numbers of rules and regulations. We should take action to facilitate foreign investment here, because they bring in money, people and responsibility. We gain on all fronts. But if we hesitate out of fear of being exploited, that shows that we are trying to conceal our weaknesses and that we are unsure.

[Question] The fiscal and monetary policies have come under heavy criticism by people in the private sector. If you have a chance to join the government, what would you change?

[Answer] I criticized our fiscal policies in an article that appeared in the latest issue of THANAKHAN KRUNGTHEP. To summarize that article, fiscal policy in the developed countries has two targets. One is to help stimulate a fair distribution of the income. The rich pay a lot in taxes, the poor pay little. The second is to prevent a vicious economic circle, an economic recession. Fiscal policy can help stimulate the economy by reducing taxes and keeping things from heating up too much. But none of the underdeveloped countries can use this theory, because distribution is not promoted. How can fiscal policy collect income taxes directly? Only indirect taxes such as trade and import taxes are collected. This doesn't help promote income distribution or prevent a vicious circle. We are going around and around in this vicious circle. The more we collect, the worse things become and the more people complain. This policy just serves to keep us afloat, that's all.

Thus, the real heart of fiscal policy concerns the size of the bureaucracy. The bureaucracies of the underdeveloped countries are too big. Whenever these countries have money, they hire more officials to do this and that, and they interfere with the work of those in the private sector. The bureaucracy should be kept at a suitable size. You don't have to issue a lot of regulations. Governemnt officials don't have to interfere in this and that. It shouldn't be the size of the government that is the decisive factor. Fiscal policy should be just one part of the country. Things must go together. Sometimes, fiscal policy is very important. Because at times, the decline in income is rather sharp. We have to understand that some programs have to be cut. But politics interfers a lot. We can't cut out anything. Instead of saving billions of baht for other things, we spend 80-100 million baht doing project feasibility studies. And when the studies have been completed, we shouldn't go ahead with the project. But because we have already spent the money to do the study, we have to proceed with the project. This is not the way to make economic decisions. Several foreigners have said to me, you have invested 100-200 million, but you will lose 2 billion baht. Can you continue? It's better to forget about the 200 million. Don't let me say too much about this.

[Question] Then you think that in a coalition government, the economic policy of one party can't be implemented.

[Answer] The political differences in Thailand are not due to the fact that you are a leftist and I am a rightist. If that were the case, we couldn't agree. In Europe, those who hold different ideals can't get along. But here we use the same logic. The ideas are like shadows of each other, although some are sharper than other. This comes from those groups that provide support. I can't say anything about this now. But in principle, I don't think so. The only thing is how well they understand. They may not understand. The only thing they know is what will benefit them. This is usually the case. They are concerned only about getting elected. They aren't concerned about principles as long as nothing affects their personal interests. That concerns coordinating interests, and I don't know anything about that. You must ask them. There are political conflicts. People can't get along. Directions are different are so people can't get along. Everything is very free.

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CSO: 4207/257

THAILAND

BANKS' PROFITS DROP SHARPLY

Bangkok THE NATION in English 25 Jun 86 p 17

[Text]

A LEADING banker predicted yesterday that most banks will hit "rock bottom" in their profit margins for the first six months ending in June, this year, hoping to recover in the coming months of 1986. Interest rates are expected to decline by one percentage point soon in the wake of rising excess liquidity.

Mr Banyong Lamsam, the president of Thai Farmers Bank, said yesterday that with the shrinking profits, banks will have to increase their reserves. "And that means the only alternative is to boost the capital base. However, under the current unfavourable economic situation, increasing capitals isn't very easy. So, we are looking again at asking the Bank of Thailand to reconsider the ratio between capital funds and risk assets which is being fixed at 8%.

"We have talked about classifying the so-called risk assets into various groups, with some highly risky and others not so risky. But there is no consensus so far on what's a proper classification process," he said.

Banyong said that banks with emphasis on wholesale banking may be more seriously affected than those doing more retail banking in this connection.

Banyong estimated that profits for banks may drop by 20-40% when they close their books at the end of this month, compared with that first six months of last year.

"This is the rock bottom level. We hope to recover after the six months of this year," he said. Central bank sources said that the banking community last year recorded a total profit of 2,900 million baht but the second six-month period of last year showed a drop of profit by 1,000 million baht compared to the same period in the previous year.

While the economy may pick up, Banyong said the government will also have to help stimulate the economy including spending more on construction and other projects. "If the government spends more, the public's purchasing power will also rise and that will help boost the economy. That in turn will help the banking business," Banyong said.

Major banks will hold talks soon to discuss how to bring down lending and deposit interest rates in the wake of rising liquidity in the money market estimated at being 20,000 million baht in excess.

RATE CUT

"But I think the most that we could do is to cut interest rates on both sides down by one percentage point," according to Banyong.

But he said banks are shouldering a heavy cost, with the spread being narrowed down. "And eventually, we may be able to cut the rates only by 0.5% instead of 1%," he said.

Banyong said demand for loan has been low due to investors' uncertainty over the future of the political developments in the wake of the upcoming general elections. "People want to know how the new government will adopt its economic policies before making decisions on new investments," he said.

Banyong said that the problem of local excess liquidity has also been compounded by the large capital inflow.

"While the prime rate remains at about 14-15%, some super prime customers could get loans for as low as 6-7%, the same level as interbank rate," he said.

Ranyong said that banks are suffering from small spreads — or profit margins — with fixed deposit rate at 9% and savings account rate at 7.25%. Deposit rate for six-month accounts is 8.75% while three-month deposits fetch 8.5%.

Although banks may be burdened with high liquidity, "we cannot stop receiving deposits, which once they are gone, are difficult to gain back."

The leading banker said that banks are trying under the circumstances to get major customers to repay their loans while the central bank has laid strong emphasis on "quality loans."

He said that banks may be forced to reduce interest rates in the near future. "But it would be impossible to cut the rates substantially all at once. That would be dangerous for our operations," he said.

About 30-40% of bank customers borrow on prime and superprime rates at the moment, he said.

"But we have to be careful also that the 20,000 million baht excess liquidity isn't all that much. Once there is a market to absorb it, the amount could disappear in no time too — when the demand rises to a certain level," he said.

Banyong also commented on the central bank's requirement that banks could not maintain foreign exchange at a level higher than 20% of their respective reserves. "This limit, too, should be relaxed since banks, under the current situation, should be allowed to make some business from foreign exchange. But again, the Bank of Thailand is afraid that if the curbs are removed, some banks may put their money offshore, thereby causing an outflow situation," he said.

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THAILAND

BANK OF THAILAND: ECONOMY IS HEALTHY

Bangkok THE NATION in English 21 Jun 86 p 17

[Text] THE Bank of Thailand has reaffirmed its policy under a long-term perspective and will not seek to push for measures for short-term results while describing the present state of the Thai economy as "healthy."

A reliable central bank source told *The Nation* yesterday that the capital inflow into the country during the first five months of this year totalled 50,000 million baht with an outflow of 38,800 million baht leaving a net inflow of 11,200 million baht compared to 6,627 million baht during the same period in 1985.

The total capital inflow during this period consisted of about 40 per cent in foreign loans. About 50-60 per cent of the loans were short-term one of three to six months while the rest were long-term loans of two to three years.

The remainder of the capital inflow mostly covered trade credit while direct foreign investment was estimated to be about 10-20 per cent of the total amount of capital inflow, the source said.

The government sector registered a net capital outflow of 1,147 million baht during the first five months of this year due to the ceiling on foreign loan of US$1,000 million and refinancing programmes which have so far reached a total of US$400 million.

Kamchorn Sathirakul, the governor of the Bank of Thailand, said in a separate interview that the present excess liquidity in the market, which is causing frustration among bankers, can be attributed to the stability of the local currency in the foreign exchange market which in turn has helped encourage capital inflows.

At the same time, the growth in deposits by savers has been high. The governor, nevertheless, said that the central bank will not intervene in the domestic interest rate movement and will leave the rates to move according to "market force."

He described the present state of the Thai economy as "healthy" as capital inflow consisted also of foreign investment funds which will benefit the Thai economy in the long run.

Kamchorn said the central bank will not push for short-term measures (to solve the present excess liquidity in the market) and the commercial banks should work among themselves to set interest rates appropriately. The governor said lower interest rates will be beneficial and he was looking at rates between 12-13 per cent. Banks will need time to adjust themselves towards these target rates, he added.

He said that the Bank of

Thailand is mapping out suitable financial measures to support the government's policy to promote construction of residential units. This will help create employment and assist lower income earners to acquire houses.

Meanwhile, the Finance Ministry Tuesday asked the Cabinet to approve a request to seek additional domestic loan from 33,000 million baht by another 13,000 million baht. The central bank will issue another batch of government bonds worth 11,000 million baht while the Finance Ministry will borrow through treasury bills of 2,000 million baht from the Government Savings Bank.

The government will issue bonds totalling 2,000 million baht next week to absorb liquidity from the market.

Kamchorn said that the authorities have no intention to introduce withholding tax on short-term foreign loans while the policy to maintain the stability of the baht will continue.

Olarn Chaipravat, an executive vice president of Siam Commercial Bank, said that the situation right now is conducive for banks to lower interest rates which should have taken place in March but was delayed and subsequently caused the massive capital inflow into the country.

The banker estimated that the excess liquidity in the commercial banking system right now is more than 30,000 million baht and may reach a 50,000-million-baht mark if more credit is not extended.

He also disclosed that bankers are likely to hold talks to reduce interest rates by another 1-2 per cent after their half-year book is closed at the end of this month.

The immediate benefit of lower interest rates will be to give positive impact on consumer products demand before production costs which can be expected early next year. He said that prospects for the country's exports are bright because in his view the low prices of commodities have reached a floor level.

Olarn predicted that the inflation rate this year will be close to zero.

The country has benefited from the decline in world oil prices of about 20,000 million baht in total. The rate of growth of the economy next year would be in a 5-6 per cent range with surplus balance of payment.

He predicted that the 1987-1991 period will be "Golden Years" for Thai economy but the growth in the economy must emphasize exports, domestic saving to replace foreign loans and development of the capital and debenture arkets to replace loans.

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THAILAND

SAYAM BANK GETS AID FROM CENTRAL BANK

Bangkok BANGKOK POST in English 26 Jun 86 p 17

[Text]

THE Bank of Thailand has approved 3,900 million baht in financial assistance to the state-owned Sayam Bank as part of its five-year recovery package, Sayam Bank chairman Kasame Chatikavanij said yesterday.

He also said several improvements in the bank's operations would be made so as to efficiently use the amount to enable the bank to break even after 1987.

He said he was informed of the approval from the central bank's Court of Directors by Governor Kamchorn Sathirakul when he and two other board members met Mr Kamchorn to discuss the progress of the bank's request for assistance.

According to Mr Kasame, the financial assistance would be divided into 500 million baht from the bank's existing shareholders for raising the bank's registered capital to 1,530 million baht, 1,900 million baht in soft loans and 1,500 million baht in discounting of ongoing legal cases from the bank.

Sayam Bank's major shareholder is the Rehabilitation and Development Fund.

Meanwhile, informed sources said the bank's shareholders would meet on July 9 and were expected to discuss the capital increase during this meeting.

The amount approved was much lower than the 8,700 million baht sought by Sayam Bank as the central bank considered that the requested amount was too high. The central bank earlier said it would provide only 3,400 million baht.

Sayam Bank plans to use this amount of financial assistance to shore up its operations as part of its five-year recovery package.

While stating that the amount would be received next month at the earliest, Mr Kasame said the bank would efficiently maximise the use of this assistance to ensure that Sayam Bank would no longer suffer losses and start making profits.

He said the bank also informed the central bank that it would try to break even after 1987.

Sayam Bank currently suffers a monthly loss of about 50 million baht, down from 70 million baht before the present management stepped in.

Mr Kasame expects Sayam Bank, with the central bank's assistance, to be able to reduce its monthly loss to about 10 million baht and start making profits after next year.

He also said another important point in the bank's recovery package was to improve its management on credit extensions.

He said the central bank's assistance would raise Sayam Bank's capital fund to about 800 million baht, enabling it to extend more credits.

Disclosing the bank's guidelines on credit extensions, Mr Kasame said the majority of 60% would be extended, in the form of either overdrafts or term loans, to state enterprises including the Electricity Generating Authority of Thailand and Petroleum Authority of Thailand, with which there would be less bad debt problems.

He added that the other 40% would be extended to small and medium-size private firms.

He also said deposits at Sayam Bank had soared to about 8,600-8,700 million baht at present, with state firms accounting for about 40%.

Apart from credit extension management improvement, Mr Kasame said the bank would boost its general management efficiency to reduce operating costs.

Regarding foreign loans, he said there were only about US$30 million which had to repaid as the bank had already settled about $10-20 million in foreign loans.

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CSO: 4200/1199

PRC UNIVERSITY INVITES THAI STUDENTS, TEACHERS

Bangkok MATICHON in Thai 22 May 86 pp 1, 2

[Unattributed report: "Chinese University Accepts Thai Students"]

[Excerpt] The 21 May issue of SING CHONG IAN, a Chinese newspaper that is published and sold in Thailand, published an interview with Mr Ho Quan, the rector of Jinan University who is visiting Thailand. He stated that Jinan University is accepting Thai students who want to earn a bachelor's degree in China. Jinan University will grant special rights to Thai students. They will not be required to take the entrance examination, and costs will be kept to a minimum.

Mr Ho Quan said that Jinan University meets international standards. It offers, for example, programs in medicine, engineering, and literature. Altogether, there are 18 faculties and 24 departments. A total of 6,490 students attend the university. As for Thai students who attend this university, most will study economics.

The rector of Jinan University said that the university also has a program to accept overseas Chinese, including students from Hong Kong, Macao, and other countries in this region. Today, there are about 1,300 students from Hong Kong and Macao attending the university. By 1991, the university plans to increase foreign student enrollment 70 percent.

"There are now about 15 Thai students attending the university. They have done very well, especially those in the Faculty of Medicine," said Mr Ho Quan. He added that Thai students receive certain special privileges not granted to students from other countries. For example, they don't have to take an entrance examination, and expenses are very small. For example, dormitory fees run around 1,000 Hong Kong dollars, or approximately 3,500 baht a year. Food costs about 40-50 renminbi, or 500-600 baht a month. The university also gives scholarships to good students. As for those Thai students who do not have a background in the Chinese language, the university will offer a special 1-2 year course.

Mr Hoe Chwin said that the university has 1,160 instructors, including foreign instructors from the United States, West Germany, and Australia who teach on an exchange basis. He said that he is very interested in setting up such an exchange program with Chulalongkorn University.

MATICHON asked the Foreign Relations Division, Office of University Affairs, about this and was told that it had not yet been contacted by Jinan University. However, Thai students who want to study abroad, particularly in socialist countries, must obtain permission from the Ministry of Foreign Affairs.

MATICHON asked the Ministry of Foreign Affairs about this and was told that Thailand and China have an agreement on scientific and technical cooperation. Every year, Thai students go to China to study based on this agreement. This is handled by the Department of Foreign Cooperation, Office of the Prime Minister. However, the official said that no letter had been received from Jinan University.

Today, many Thai students are studying in China. Most are children of Chinese who are living in Thailand. Most of these students attend schools in southern China, because that is where their parents came from.

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PREM DETERMINED TO CUT OIL PRICES

Bangkok BANGKOK POST in English 26 Jun 86 p 17

[Text] PRIME Minister Gen Prem Tinsulanonda has made it clear that the Government will go ahead with its plan to further bring down retail oil prices.

He said so during his opening speech for the two-day seminar on problems related to Thailand's oil and gas industry held by Ramkhamhaeng University at the Imperial Hotel yesterday.

He said that although world oil prices had plunged to US$11 per barrel and the Government had reduced domestic oil prices twice this year to stimulate growth, the Government insisted on bringing the prices even lower.

"This Government insists on using all means to reduce retail oil prices again," Gen Prem stressed.

He said that it was the Government's responsibility to protect the interest of the people at all cost. "The people will benefit fully from the oil imports made by the Government," Gen Prem assured.

But he called for cooperation from the public to conserve oil, saying Thailand did not have huge oil resources.

Gen Prem pointed out that oil was a variable but major factor for industry and would affect the livelihood of all people in the country.

SUBSTITUTES

He said that as most of the Thai people did not know much of or were interested in the oil trade, the idea of saving oil or finding substitutes for oil never entered their minds.

"But what all of us must realise is that we have no huge oil resources of our own that can meet domestic demand, so we have to rely on oil imports," he emphasised.

Hence it was necessary to seek the cooperation of the public in saving oil and to invent new technologies to lower the high consumption of oil, he added.

Gen Prem also said the seminar was important as it enabled all parties concerned to come together and seriously discuss the country's oil and gas resources.

It was also necessary to convince the people that systematic and continuous energy saving would bring down Thailand's trade deficit, he said.

He said ideas and recommendations from the two-day seminar would be taken into consideration by the Government in making development plans for the country's oil and gas resources to speed up the country's progress, both economically and socially.

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CSO: 4200/1199

PEOPLE'S REPUBLIC OF KAMPUCHEA

BRIEFS

HEALTH COOPERATION WITH INDIA--Phnom Penh, 28 Jun (SPK)--A cooperation agreement in the field of public health between the PRK and India was recently signed in New Delhi. According to this agreement, signed by Cambodian Deputy Health Minister Nut Savoeun and his Indian counterpart Krishna Kumar, India will send to Cambodia some medicine and medical equipment, as well as a group of doctors, to improve medical assistance and assist Cambodia in the fight against infectious diseases. [Text] [Phnom Penh SPK in French 0417 GMT 28 Jun 86 BK]/12766

PREAH VIHEAR-THUAN HAI COOPERATION REPORTED--Phnom Penh, 23 Jun (SPK)--Since Cambodia's liberation in 1979, the South Vietnamese province of Thuan Hai and the Cambodian province of Preah Vihear have been tied together as twin provinces. Thuan Hai has taken upon itself the task of assisting Preah Vihear to eliminate famine, illiteracy, and disease, and to restore production and other economic branches. During the past 5 years, Thuan Hai has offered Preah Vihear books and school equipment. It has also assisted in setting up health networks down to commune level, restoring a provincial hospital, and so on. Thuan Hai has opened short professional courses for Cambodian statisticians and administrators. Many hundreds of Cambodian health cadres have returned to work in various services in their home country. The cooperation also focuses on setting up projects for exploiting forests, on expansion of the timber industry, the establishment of stock breeding, and so on. [Text] [Phnom Penh SPK in French 0500 GMT 23 Jun 86 BK]/12766

CONDOLENCES ON DEATH OF SRV'S HOANG VAN THAI--Phnom Penh, 7 Jul (SPK)--Cambodian Defense Minister Bou Thang sent his Vietnamese counterpart Van Tien Dung a message of condolences upon learning of the demise of Vietnamese Deputy Defense Minister General Hoang Van Thai. In his message, Bou Thang, also member of the KPRP Central Committee Political Bureau and vice chairman of the Council of Ministers, wrote among other things: "The entire KPRAF and myself have the greatest regret at the news of the demise on 2 July of Gen Hoang Van Thai, member of the CPV Central Committee and deputy minister of defense. Gen Hoang Van Thai was a famous hero of the Vietnamese party and state, a prominent combatant who sacrificed all his life to the cause of Vietnam's struggle against the Japanese fascists, the French colonialists, and the U.S. imperialists for national liberation and the construction of socialist Vietnam. He also made an active contribution to building the Cambodian Revolutionary Army which has succeeded in victoriously defending the country and, together with the whole people, to turning it into a Socialist Army. The demise of Gen Hoang Van Thai constitutes a loss not only for the Vietnamese party, Army, and people, but also for the whole of the Cambodian party, Army, and people. On this sad occasion, we would like to share the great sorrow of the Vietnamese party, Army, and people as well as the bereft family." [Text] [Phnom Penh SPK in French 0429 GMT 7 Jul 86 BK]/12766

MAT LY SUPPORTS SOVIET PEACE INITIATIVES--Phnom Penh, 29 Jun (SPK)--The declaration of the Soviet Government, dated 2 April, concerning Asia and the Pacific region proves that the Soviet Union aspires profoundly to guarantee long-lasting peace on earth, said Mat Ly, member of the KPRP Central Committee Political Bureau, vice chairman of the National Assembly, and chairman of the Kampuchean Federation of Trade Unions, during a recent interview. The Soviet proposal to make Asia and the Pacific into a zone of cooperation and free from nuclear weapons is extremely important for security in Asia and the entire world. The Cambodian people warmly associate themselves with this initiative and other Soviet proposals relating to this region. The PRK has always developed and consolidated its relations of fraternal solidarity and cooperation with the Soviet Union, Vietnam, Laos, and other fraternal socialist countries. It is ready to promote relations of friendship with other countries in Southeast Asia as well as in the whole world on the basis of mutual respect for independence and internal affairs, stressed Mat Ly. [Text] [Phnom Penh SPK in French 0408 GMT 29 Jun 86 BK]/12766

HENG SAMRIN, HUN SEN CONGRATULATE GDR COUNTERPARTS--Phnom Penh, 4 Jul (SPK)--Heng Samrin, chairman of the PRK Council of State, sent warm congratulations to Erich Honecker on the occasion of his reelection as chairman of the GDR Council of State. In his message, Chairman Heng Samrin expressed his firm belief that under the just leadership of Chairman Erich Honecker the relations of friendship and all-round cooperation between Cambodia and the GDR will continue to further strengthen and deepen with each passing day in favor of peace and socialism. On the same occasion, Hun Sen, chairman of the PRK Council of Ministers, sent a message of warm congratulations to Willie Stoph on his reelection as chairman of the GDR Council of Ministers. [Text] [Phnom Penh SPK in French 0450 GMT 4 Jul 86 BK]/12766

ALBANIAN TRADE UNIONISTS--Phnom Penh, 2 Jul (SPK)--A delegation of Albania's trade unions central council headed by Secretary Shinast Zenelaj arrived in Phnom Penh Tuesday afternoon for an official friendship visit to Cambodia at the invitation of the Kampuchean Federation of Trade Unions. It was greeted at Pochentong Airport by Say Siphon, vice chairman of the Kampuchean Federation of Trade Unions, and others. [Text] [Phnom Penh SPK in French 0404 GMT 2 Jul 86 BK]/12766

THAI INCURSIONS REPORTED--Phnom Penh, 5 Jul (SPK)--During the month ending 25 June, 83 reconnaissance flights, accompanied by raids carried out by Thai L-19's and F-5's, were reported above the sectors of the three borders' junction, Preah Vihear temple, Anlung Veng, Ampil, Yeang Dangkum, Hill 970, Malai, and the end of Route 56 between 1 and 15 km inside Cambodia. At sea, 571 Thai vessels operated in areas between 5 and 24 nautical miles from Kaoh Kong and Kaoh Tang islands. On land, many groups of Cambodian reactionaries infiltrated from Thai territory in order to carry out sabotage and plundering activities. They were intercepted by Cambodian border guards who, in cooperation with volunteers of the Vietnamese Army and local people, put out of action 643 enemy soldiers, including 152 forcibly taken prisoners and 377 others who surrendered, and seized 200 weapons and some war material. [Text] [Phnom Penh SPK in French 0407 GMT 5 Jul 86 BK]/12766

CSO: 4219/46

MILITARY AFFAIRS AND PUBLIC SECURITY VIETNAM

ROLE OF SAPPER FORCE IN JOINT OPERATIONS ASSESSED

Hanoi TAP CHI QUAN DOI NHAN DAN in Vietnamese Mar 86 pp 33-38

[Article by Major General Nguyen Cu, alias Comrade Tu Cuong: "Sapper Force in Joint Military Campaigns"]

[Text] At its creation the sapper force, then a fledgling and low-skill organization, was used only in a few raids to exterminate traitors, spies, and evil puppet officials and to protect the forces and struggle movements of our troops and people in areas behind enemy lines. However, as the people's war developed, the sapper force was used more and more widely and on a larger scale in combat. From only launching clandestine raids to demolish enemy storehouses and rear bases and camouflaged ambushes against small and isolated enemy detachments, the sapper force moved up to destroying relatively large bases, battlefields, and companies and battalions protected by solid fortifications and engaged in mobile warfare. From only hitting targets, the sapper force has moved up to seizing them whenever necessary. From fighting mostly independently, the sapper force has moved up to having a hand in joint operations, at first at the tactical level then at the battle level.

That the sapper force has taken part in military campaigns and has become an equal partner in joint operations is proof that it has made a great and vigorous step forward in the art of sapper warfare.

I. Role of Sapper Force in Joint Military Operations

The role and performance of military units from the different arms that have engaged in joint operations depend on their ability to take over combat duties.

The recent war against the Americans shows that sappers can shoulder various operational tasks.

During the General Offensive and Uprising in the Mau Than Tet Festival (1968), sappers actively contributed to attacking and capturing important targets inside enemy cities, for instance, Hue and Saigon, where sapper and special forces troops (Biet Dong), played a key role in some battles.

During the General Offensive and Uprising in the spring of 1975, sappers in the Central Highlands campaign attacked and held the Mai Hac De storehouse and the Buon Ma Thuot City airfield, using them as a stepping stone for our infantry and armor to stage surprise forays to wipe out the enemy and liberate Buon Ma Thuot, successfully ending a key battle that kicked off the Central Highlands campaign. In that campaign, sappers were also ordered to move in on the Hoa Binh airfield, where they left small units behind for 7 days in a row to prevent the enemy from assembling and dropping reinforcements with a view to counterattacking and retaking Buon Ma Thuot. Also in that campaign, sappers relentlessly attacked enemy command posts in Pleiku and the signal centers, including a station specializing in guiding enemy aircraft to interdict our strategic corridor, thus contributing to dislocating the enemy's command organs and forcing its troops to flee, only to be subsequently exterminated by our main forces in the third key battle of the Central Highlands campaign.

Likewise, in the historic Ho Chi Minh campaign, sappers were assigned the task of attacking and capturing, 1 to 3 days ahead of schedule, enemy bridges and bases sitting astride highways, through which our armies were heading for Saigon and Vung Tau, carving a dividing belt between peripheral defensive enemy forces and their inner-city counterparts, while occupying bridges to permit our divisions to make fast inroads into enemy territory. At the same time, sappers struck at and took some leading enemy organs and demolished the Binh Y bomb depot in Bien Hoa, causing extensive damage, plunging the enemy into confusion and chaos, and creating conditions for our forces to move forward to liberate Saigon-Gia Dinh. In that campaign, the sapper force demonstrated further its great potential in joint operations. Not only did it harass and annihilate enemy troops, but it also directly conducted campaign ruses, pushed deep into enemy territory, closely coordinated with incursionary forces, and successfully discharged the duties of an advance guard by attacking and capturing important enemy positions.

During the defensive campaign in the Plain of Jars (Lao theater of operations), sappers penetrated the enemy's rear, attacking and destroying airfields, storehouses, and command posts in Long Cheng and Tom Tien. Another sapper outfit deployed small detachments to hold some points located on high ground to the north of Xieng Khouang City and banded together with friendly forces to defend urban and neighboring areas.

Experience from liberation wars shows that sappers can be used to conduct assaults and to deliver firepower as well. In special circumstances, for instance, when the enemy resorts to weapons of great destruction, sapper strikes yield considerable firepower and exceptionally great attacking strength.

Thus, it can be concluded that in our current joint campaign strategy, the sapper force with its special assault techniques and effectiveness, is a competent combat partner in joint operations, contributing to enabling our side to get the upper hand; intensifying the might of surprise attacks and firepower; associating surprise attacks with breakthroughs to cut up enemy lines; using detours to surround hostile forces; and adding success to the campaign. The sapper force can fight in offensive, counteroffensive, and defensive situations; it can also actually take part in the key battle of a campaign, of which it can even become a leading force under certain conditions.

II. Some Principal Problems Which Should Be Understood When Sappers Are Used in a Military Campaign.

Obviously, the predominant problem is to tailor the art of military operations to duty requirements and the types, capabilities, and attributes of participating elements. However, only a few specific problems in the use of sappers are highlighted below:

1. Use sappers in accordance with their functions, specialties, and characteristics.

In terms of functions, specialties, and combat characteristics, the sapper force is not similar to other groups. It has special strengths, but also limitations. It can fulfill some duties of the infantry, artillery, and air force, but can never become and replace the air force, artillery, or even infantry in a military campaign. The inordinate and unsuitable use of the sapper force, and the bad practice of falling back on it in case of difficulty or emergency, prevent it from making the most of its role and skills--not to speak of prospects for unnecessary losses. On the contrary, we must also guard against attempts to disparage the skills and gains of the sapper force and see it as a mere adjunct in a military campaign in rare circumstances--and in much rarer circumstances in joint operations.

The basic attributes of sappers are "secrecy, deep penetration, and the ability to undertake dangerous strikes." These are not only attributes, but are also a requirement and condition for the sapper force to operate, setting the tone for its modus operandi, giving it strength, and enabling it to win. In terms of organization, equipment, and modus operandi, the sapper force is entirely different from other forces and corps. Like artillery, the sapper force can damage and destroy enemy storehouses, but the way in which it damages and destroys is different from that of artillery. Even when it attacks and takes a target, its methods are not similar to that of infantry. It mainly uses elite units to make secret and surprise forays, staying close to and harassing enemy forces, creating and seizing opportunities to hit their most vulnerable points, and inflicting heavy damage while ensuring favorable joint activities for our forces. The sapper force's participation in a military campaign is not large, and targets assigned to it are located deep inside enemy territory. And most of these targets are strictly guarded. Hence, to be sure of success and of the fact that attacks are launched at the right moments and in the right places, proper and meticulous preparation is required, including precombat and combat postures, plans for seizing or destroying targets, and plans for bringing in reinforcements and replacements during combat. Plans for using sappers must be completed at an early stage. Action plans for each category of sappers must be consistent from beginning to end. And contingency plans must be meticulously devised and disseminated to all combatants.

2. Vigorously and properly build the precombat and combat postures for the sapper force.

The art of combat of the sapper force resides in maximizing its precombat and combat postures so that it can use the smallest force to destroy a tall enemy and achieve special military exploits.

One of the most important measures in a joint combat formation is to put the sapper force into an advantageous precombat and combat posture.

Sapper precombat and combat postures must be constantly stable, firm and apt to ensure safety and combat continuity. These postures must be rational and compatible with those guiding the whole campaign, thus enabling sappers to fight at an advantage while stimulating other campaign forces to achieve greater efficiency. First of all, and most important, proper precombat and combat postures are the ones that help all sapper forces in a campaign (sappers in main forces, local forces, and the people's militia and self-defense forces) foster their existing specialties, create great sapper power, and achieve effective joint campaign efforts. To devise proper precombat and combat postures does not mean merely to assign positions for sapper units and forces, but rather to divide responsibilities according to a clearly defined guideline. Where will main-force sappers operate, and in what direction? What will local sappers do? Where will the people's militia sappers stand? What will be the capabilities of mutual help of sapper forces and units? Duties, locations, and rational operational conditions must be made known to all sapper groups in the campaign, in general, and to sapper forces and units, in particular. To create proper precombat and combat postures for the sapper force is, in fact, to confer a rational, stable, and firm campaign posture on it and to contribute to creating an advantageous campaign posture for the people's war.

A sapper precombat posture must be based on specific requirements. First of all, it must ensure suitable mobility for attacking targets located in a given area or along a preassigned path. If many sapper forces are stationed in that area, or along that path, the same principle should apply in order to ensure rational assignments. Appropriate conditions must be created for on-the-spot complementary training, combat readiness, and combat arrangement. After so many bitter defeats, enemy troops are extremely vigilant, moving heaven and earth to cope with our sapper force. They often resort to such tricks as modifying their defense systems, frequently moving their positions, and putting forces and specialized equipment in working order to thwart and detect our sappers. Thus, our sapper force must have an adequate precombat posture so that it can conduct complementary training in response to enemy activities, newly discovered by us or newly changed by them. Sappers must be deployed close, or relatively close, to main infantry units to ensure assistance in all respects, including combat and training. A proper precombat posture is a prerequisite for a proper combat posture.

A proper combat posture is the one in which sappers successfully preserve secrecy and the element of surprise, catching the enemy off guard with attacks on unexpected places and at unexpected moments, thus making it impossible for it to respond promptly with prepositioned forces and measures. To achieve that posture, the sapper force must be familiar with designated targets and must master, through training, proposed combat plans.

Sapper precombat and combat postures may vary with each military campaign and each kind of terrain. Nonetheless, a common principle is that precombat and combat postures must be set in keeping with sapper attributes and modus operandi--deep penetration and ability to launch dangerous strikes. Careless and irresponsible fighting is not permitted in case precombat and combat postures are not yet ready.

III. Raise Sapper Efficiency in Joint Military Operations

The strength of modern military campaigns in our people's war is an integrated and joint strength, in which activities of all participating army corps and units must rely on common strength to fulfill assigned duties and create proper conditions for friendly forces to engage in combat. It is imperative for friendly forces to understand the sapper force and, in reciprocity, for the latter to understand the former. Corps commanders must get acquainted with all participating forces, and staff work, especially joint campaign work, must be truly proper and meticulous. That work does not stop at allotting targets, zones, and time lengths; instead, it requires joint and direct combat action over each zone, sometimes each target, and each time period.

For the sapper force, its association with other friendly corps in a military campaign is a rather complex problem, which it must carefully study and properly solve with a view to raising the combat efficiency.

In the campaign, sappers act in concert not only with a few forces, such as infantry and artillery, but also with all participating forces and corps. Those groups, which sappers throw in with, boast extremely diverse forms of combat--on-the-spot forces, mobile forces, and extremely mobile forces. Moreover, joint forces can shift courses and zones at a very fast pace. Sappers may have to cooperate with other forces at sea, along the coasts, on islands, and sometimes underwater.... Even joint action between sapper forces themselves is laced with continuous transformation and development. That is why we must clearly perceive the complex nature and high requirements of joint combat and must study and find satisfactory solutions in all respects--organization, staff, combat forms and stratagems, and also sapper means, equipment, weapons, and hardware---to fit in with modern warfare.

Echelons, sectors, technical organs, and friendly units are counted on to help the sapper force solve some of the above problems. Nevertheless, others must be examined and solved by the sapper force itself.

A common requirement is that we must raise sapper skills and capabilities in joint combat. We must grasp our art of joint combat, using this as a basis for assessing new and comprehensive sapper needs. *Sappers cannot afford* self-complacency, subjectivism, and the tendency to take comfort from existing capabilities and experiences; instead, they must go through unequivocal and extensive changes in order to cooperate successfully with the main corps and also with local forces.

To meet these requirements, the sapper force should categorically and correctly perceive its strengths, specialties, and limitations. It must delve into the following questions: Where do these strengths, specialties, and limitations come from? What are their objective and subjective causes? Which strengths can be continually ameliorated and expanded? Which shortcomings can be, or cannot be, overcome? For instance, why is using a small force to defeat a big one an attribute of the sapper force? Is this caused by a shortage of force? Or is this a characteristic originating from the laws of a form of combat--the sapper form?

We should also clearly see that there are more and more conditions and capabilities for modernizing sapper equipment and weapons. in a joint combat formation, the sapper force has favorable conditions for fostering strengths, remedying limitations, and overcoming weaknesses. Fully utilizing new possibilities and new favorable conditions to develop skills and the art of combat is an approach to building the sapper force and its combat power. With the use of modern means, including helicopters, to increase mobility and reach, the sapper force has made headway in its ability to penetrate and launch dangerous, clandestine, and surprise attacks. The technique of penetration has also developed. To foster the capabilities of modern equipment and favorable conditions created by modern technological means, the sapper force must look at things in a new way and must make a necessary effort to improve and develop its organization and its technical and tactical training program. Indeed, this does not mean we can pay less attention to fully utilizing rudimentary means. Combining rudimentary means with modern means still is a principle in the art of sapper combat.

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DEVELOPMENT OF ENGINEER CORPS DISCUSSED

Hanoi TAP CHI QUAN DOI NHAN DAN in Vietnamese Mar 86 pp 23-32

[Article by Major General Tran Ba Dang: "Some Key Lessons Learned From 40 Years of Strong Development of the Vietnam Engineer Corps"]

[Excerpts] In March 1986, the Engineer Corps of the Vietnam People's Army was 40 years old.

In 40 years of simultaneous fighting and building, the Vietnam Engineer Corps has rapidly developed and matured. It is among the largest groups in the nation's armed forces. Its departments, specialized sectors, forces, material bases, and technical equipment have unceasingly been upgraded and considerably expanded. It has been undertaking--and has exceptionally discharged--key duties in combat and economic building and in other special endeavors.

1. Fully Grasp and Creatively Apply CPV Military Policies to the Process of the Building, Development, and Operations of the Engineer Corps.

It can be affirmed that the engineer force of the Vietnamese people's war is a force with great popular participation. The entire people can participate, and in fact they did. No matter where they live, there exists a force that can keep communication lines open, build combat fortifications, lay mines, and attack and destroy enemy communication lines. Nevertheless, the people's engineer force must be supported by a key component--engineer units of the armed forces--which include engineer units in the people's militia and self-defense forces, local forces, and main forces.

Engineer units in the people's militia and self-defense forces and those in the local forces have branched out into villages, districts, and provinces, boasting technical units and teams. There are specialized detachments fighting with antlers, mines, and traps; units building various projects; and units and teams digging underground passages and open-air trenches and detecting, destroying, defusing, and removing enemy bombs and mines. They support both local people's wars and main forces in local combat.

Engineer units in the people's militia and self-defense forces and those in the local forces form a ubiquitous force, closely involved in different forms of combat in delta and mountain villages as well as in isolated engagements to defend localities, building and digging offensive and defensive trenches while standing ready to serve on the battlefield and staying close to main forces in combat. Local engineer units with their numerous on-the-spot forces nationwide have contributed to creating conditions for the Vietnam engineer force promptly to complete various kinds of engineering work in all circumstances.

The great effectiveness and strength of basic engineer units in the people's militia and self-defense forces and local forces, originating in the war of liberation, were continuously and vigorously fostered during the people's war to defend the fatherland against the Chinese aggressor. Currently, on the defensive frontline along the northern border, basic engineer units and those in the local forces are closely coordinating and conducting joint operations with their counterparts in the main forces, contributing to building a network of fortifications to fight enemy intrusions and enable our troops and people to engage simultaneously in combat and production, stand their ground in the frontier battlefront, and defeat all forms of the enemy war of encroachment, sabotage, and escalation.

The main engineer force is composed of engineer units of the Ministry of Defense, military regions, and main armies and services. It is a very important force of the Engineer Corps, and its role is linked to that of the main forces in the Vietnamese people's war. Even when our army was still essentially an infantry force in terms of structure and equipment, the role of engineer units in the main forces was already important. As the army expanded its structure and equipment and added more components to its organization, virtually all military services were closely associated with the engineer units, including those under the jurisdiction of various armed forces and the Defense Ministry.

As combat modernizes, engineer units in the main forces become more important. Modern means including aircraft, missiles, artillery, tanks, antiaircraft artillery, and other accessory materiel have unceasingly multiplied. The combat activities of the main forces are utterly mobile, multiform, flexible, and extremely complex. It is already highly difficult to provide mobility in combat alone, especially in light of our country's treacherous topography, a still underdeveloped road network, and a crowded waterway system (a large river every 15 to 20 km, a small river or ditch every 5 to 10 km). This is not to mention obstructive enemy sabotage with the aid of various forces and modern technical means.

Hence, to perform their duties engineer units cannot rely on unsophisticated technical means and manpower alone. Instead, they must depend upon up-to-date technical equipment and effective advanced methods, combining scientific and technical knowhow with research and an increasingly creative effort to make the most of the laws of warfare and "engineering science." This task is entrusted to the main force of the Engineer Corps. The role of that main force has continuously developed in keeping with the growth of our army, first of all, our main corps (binh doan).

2. Grasp Army Combat Duties in Each Revolutionary Stage and Make the Engineer Corps More and More Regular and Modern.

Since its creation, the Engineer Corps has consistently strived to measure up to combat requirements by building and developing its forces. Units, organizations, departments, means, and motor vehicles have gradually increased, both quantitatively and qualitatively, to match the tremendous growth of war and new situations and obligations.

The Engineer Corps pursues very high building and development goals. Through learning while working and drawing experiences from tangible activities, the Engineer Corps has successfully solved its problems while enabling its organization to grow and mature in line with our country's situation, tasks, and real conditions. We have blended requirements and experiences into formulary goals, according to which the Engineer Corps' organization, equipment, and training must achieve "five fits," "four simultaneous," and "three musts." "Five fits" means to fit in with Vietnam's combat and utilization methods: its weather, climate, and topography; its material and technical bases, manpower, and material resources; the knowledge and attributes of the Vietnamese people; and the characteristics of enemy activities in Vietnam. "Four simultaneous" means that we must work, research, conduct preliminary and final reviews, and use simultaneously. "Three musts" means that we must preserve secrecy and the element of surprise; must fully avail ourselves of raw materials, supplies, and means that are in stock and locally available; and must associate modern means and techniques with rudimentary means and unsophisticated handicraft techniques.

That successful formulation, in essence, stems from an effort to understand CPV military policies thoroughly--their realism and commitment to growth--and to apply them to the Engineer Corps' involvement in building and combat. It is also aimed at translating the party's views on guidance into requirements and norms to help the corps fulfill its duties in accordance with tangible conditions in our country.

Facts have demonstrated that failure to perceive clearly and address correctly the above-mentioned problems would prevent us from accurately defining targets, directions, programs, and plans in building and developing the Engineer Corps into a modern regular force. Likewise, it would be out of the question to improve the corps' organization, staff, equipment, and training if its duties are not precisely delimited and if our own experiences and those of fraternal countries are put to use in a dogmatic and unprogressive fashion.

. Unceasingly Move Forward To Master Modern Science and Technology.

As a technical arm of our nation's armed forces, the Engineer Corps must grasp and master modern science and technology and inject scientific and technological progress into all its activities to ensure success.

The need for the corps to press ahead unremittingly in grasping and mastering modern military science and technology also originates from an increase in combat duties and the strong development of our army. To match that strong development, the corps has consistently achieved higher-quality work and set higher goals. In the first years of the war of resistance against the French, we were only able to conduct sabotage activities, set up barricades, and erect ordinary shelters; however, during the 1950's, as our main force developed into relatively big army corps engaged in offensive operations, the Engineer Corps quickly rose to the occasion, mastering science and technology to ensure long-distance mobility and provide the army corps with river-crossing facilities. During the Dien Bien Phu campaign, new demands arose--devising a solid system of underground passages and trenches and destroying and removing various kinds of mines and the thick networks of barricades of the enemy. To meet these new demands, the engineer force has acquired greater scientific and technical skills, making it possible for our army to launch joint intra-service combat campaigns and frontal operations.

In terms of characteristics and emphases, the Vietnam Engineer Corps' ascent to modern science and technology to build adequate engineering projects is different from other countries. Its engineering work must serve combat activities of the people's war and people's armed forces. It must also build big, complex, and high-quality projects in spite of very limited material and technical bases. Rudimentary means, local supplies, and manual labor still are fundamental factors in ensuring adequate engineering work. Modern technical means, such as motor vehicles at building sites and facilities for detecting and destroying modern bombs and mines, and self-operating bridges and ferryboats, etc. are still insufficient and heterogenous. Similarly, our contingent of scientific and technical cadres and vocational personnel is scarce although gradual progress has been made.

All of this makes it imperative to solve scientific, technical, and professional problems confronting the nation's military arms with suitable views and approaches. Recent victories clearly indicate that, by fully understanding the people's war and people's armed forces and the party's realistic views and commitment to growth, the engineering force has, in due time, correctly set scientific and technical goals and directions for its engineering work--to serve effectively the armed struggle of the entire people, with the people's armed forces as the core. The engineer force must effectively serve combat activities of main and local armed forces. It must provide the entire people--of which it is a key component--with science and technology to build adequate fieldworks.

Science and technology for these fieldworks precisely represent a combination of rudimentary means with modern technical means. That process is based on a combination of modern scientific and technological knowhow, applied scientific and technological progress, and the creative strength of the great masses and armed forces--first of all, and most directly related, engineer cadres and combatants--using rudimentary means and on-the-spot supplies, along with existing state-of-the-art technical means, to open roads, erect bridges, build fortifications, detect and destroy bombs and mines, etc.

The maturity and strong development of the Engineer Corps is marked, first of all, by a high degree to which it has mastered scientific, technical, and professional skills to meets its requirements and fulfill its duties--building engineering projects to support the armed forces in combat.

A valuable lesson that may be learned from 40 years of the fighting and maturing of the Engineer Corps is to define directions and goals correctly, to set ways to master science and technology for adequate building, and to develop and refine science and technology gradually to provide the Vietnamese people's war with proper engineering projects.

However, the greatest and most common lesson for the Engineer Corps in the past 40 years is precisely that of fully understanding the CPV's realistic views and commitment to growth in building, preparation for combat, and actual combat. To turn the corps into an evergowing, strong, and stable force, it is imperative to grasp thoroughly the political and military lines of our party and its approach to conducting the people's war and building the people's armed forces and to understand the army's combat duties for each period and the corps' tasks of preparing for and engaging in combat.

The effort to build and consolidate national defense and fight all forms of the enemy war of aggression has fueled new scientific and technical demands for adequate engineering. Guided by its own comprehensive achievements during the war of liberation, the Engineer Corps has successfully been meeting new requirements on building national defense and fighting to defend the fatherland. It is imperative to identify unequivocally the new enemy and new combat targets and to understand geographic characteristics against a new backdrop of war in order to develop forces, create the arts, and move forward to master the latest scientific and technological achievements, thus enabling the Engineer Corps to fulfill its obligation of vigorously defending the socialist fatherland, hand in hand with the entire army and the people.

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ILLEGAL THEATRICAL GROUPS CONTINUE TO OPERATE IN CITY

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 18 Apr 86 p 4

[Article by Xuan Thai: "Illegal Plays Are Still Prevalent; Strong Medicine Must Be Given To Cure the Disease"]

[Text] In the city today, there is still a "service" occupation that is very lucrative, and, therefore, a number of people are eager to invest in this: forming a "theatrical company." These are small, illegal theatrical troupes that have been formed and organized by manipulators. Naturally, they have branches. Their function is to be self-styled. They usually hide by saying that they belong to a state unit. The public has been criticizing and condemning these "private cultural elements" for a long time, but they continue to survive. They have even managed to expand.

"Spirit of Revenge"

On the evening of 11 April 1986, people went to see a "ghost" at the conference hall in Subward 20, Tan Binh Ward. When they got there, those who wanted to see this had to purchase a ticket, which cost 6 dong. The sign erected in front of the door to the hall aroused the curiosity of many people: "Tonight, at 1930 hours, the play 'Spirit of Revenge' with Linh Tan." A number of onlookers whispered that a "'spirit of revenge' is undoubtedly more terrifying than an ordinary spirit." Above them, another advertisement announced: "Performers: Minh Tam, Anh Thu, Linh Thanh, Linh Vu, Thanh Lieu My, Linh Linh Vuong, and others. Artistic director: Thanh Dieu. Writers: He Nep, Ly Thong, and Hai Thanh."

Also on 11 April 1986 at the Tan Binh Cultural and Information Office, the ward cultural review unit implemented a plan to arrest this drama troupe. The review unit went to Subward 20 and asked the group to produce its papers and show its permit to stage a performance. Truong Huu Sang, who is also known as Thien Ly, the deputy leader of the troupe in charge of external affairs, said loudly:

"This is not an underground drama group. We have a managing unit. We have not committed any violation."

While Thien Ly was speaking, the backstage hands, technicians and performers of this troupe hurried about clearing away the stage props and equipment. After that, Thien Ly managed to steal the files of the Tan Binh Ward cultural review unit in order to destroy the evidence. Thus, the matter became even more complicated. But in the end, the leader of this troupe had to admit his wrongdoing.

Who Are They, Where Do They Live, and What Do They Do?

This drama troupe, which consists of more than 40 people, was formed by Linh Tan. He stated that this is a reformed drama club subordinate to the Precinct 6 Cultural Center. Linh Tan said that he had to sell a 350cc vehicle in order to establish this theatrical group. Tan was a performer in a theatrical group in another province. He calls himself a "star" of the theater. He abandoned his position and gathered together a number of friends to form this theatrical troupe. Before "enlisting" with the Precinct 6 Cultural Center, Linh Tan headed the drama troupe of an agency that was not subordinate to the cultural sector. That was in Go Vap. That drama troupe performed at the 30 April Theater and gave rather poor performances in Go Vap and Hoc Mon last Tet. Tan was clearly a "poor" performer. Thien Ly, too, is a rather proficient "theatrical" organizer who is adept at public relations. Almost all of the performers in the troupe are from other provinces. They do not have household registrations in the city.

Why did the Precinct 6 Cultural Center sponsor such a disorderly organization and issue it a certificate designating it a club? And why did the Subward 20, Tan Binh Ward, People's Committee allow them to perform for money?

Municipal Cultural and Information Service Notice No 262/VHTT of 24 March 1986 on "promptly putting a stop to violations of stage management regulations" clearly states that "all wards, districts, subwards, villages, agencies, and departments that want to organize arts and letters performances to make money must first obtain a permit from the Municipal Cultural and Information Service. Today, a number of artists and singers who are on the staff of an art unit or who are not directly subordinate to any unit continue to contact the localities at their convenience in order to organize plays and shows that create instability." Thus, if they want to form theatrical groups, obtain sponsors, and put on performances for legitimate artistic reasons, why don't they obtain permission?

A Proposed Solution

When will such illegal theatrical groups be done away with? The answer depends on the resolve of the authorities and the agencies responsible at the various echelons. Administrative measures must be taken, and things must be coordinated with the localities. This "disease" requires "strong medicine." Warnings and education have proven ineffective in solving this problem. We know that there are still many illegal theatrical troupes in the city that present plays of an indecent or pornographic nature. Precinct 11 recently arrested a group of people from outside the precinct who were preparing to establish a theatrical troupe to make money. Precinct 8 is formulating a proposal to establish a theatrical club. Nhon Duc Village in Nha Be District has told the Cultural and Information Service that it would like to establish a professional theatrical troupe. What is surprising is that the "need" to establish a theatrical group has reached even the village level. Could it be that in recent years, the city's professional arts and letters units have failed to satisfy the needs of the people in the labor quarters and outside the city? Reality shows that this is one reason. However, the main reason is that a number of profiteers are interested in making a profit. The immediate solution to this problem is to have the municipal arts and letters units strengthen the support given to densely populated areas, coastal areas and rural areas outside the city. The units can "divide" into several small assault arts and letters groups (classical and modern) in order to facilitate giving performances in hard-to-reach places where performance conditions are difficult. At the same time, the illegal theatrical groups must be dealt with very harshly. Besides this, the ward and district cultural centers must create conditions that will enable the mass arts and letters units and groups to expand their activities and reach the subwards and villages, the "empty" zones that the illegal theatrical groups usually go to stage their performances.

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DORMITORY STUDENTS CAUSE PUBLIC DISTURBANCES

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 19 Apr 86 p 4

[Article by M.L.: "Overcome the Lack of Public Order and Security at Dormitory No 135, Tran Hung Dao"]

[Text] Last week, the Precinct 1 public security forces met with representatives from the party committee echelons and people's councils in subprecincts 20 and 17, Precinct 1, the Anh Ninh Economic, Cultural and Information Unit, and the management board of Student Dormitory No 135 on Tran Hung Dao Street, which is subordinate to the Ministry of Higher and Vocational Education, in order to discuss measures to maintain order at the dormitory.

During the past period, a number of things have happened at this dormitory that have had a serious influence on public order and security. On 28 April and 17 May 1985, a number of students threw burning material from the upper floor onto the storehouse of the Labor Protection Equipment Corporation and the Subprecinct 1 Grain Enterprise Store. Most recently, on 29 March 1986, the students threw bottles at people walking along the street and started fights, which resulted in a loss of order in the precinct.

Those attending the meeting unanimously proposed that the violations be dealt with appropriately. They stressed that the party committee echelons and people's councils in Subprecincts 20 and 17 must promote a fatherland security protection movement, promptly discover and put a stop to those who are disrupting public order, and motivate the students in the dormitory to play an active role in maintaining public order and security at the dormitory. The dormitory management board must implement strict disciplinary measures in order to teach the students and stop those who intentionally disrupt social order. The colleges that have students living at dormitories must monitor and control their students and coordinate teaching academic courses with instilling moral qualities in the students. The organizations attending the meeting proposed that the Municipal People's Council, the Precinct 1 People's Council, the Ministry of Higher and Vocational Education, and the Student Support Center actively support the Precinct 1 public security forces in their effort to maintain social order at Dormitory No 135, Tran Hung Dao.

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MEASURES TO INCREASE EXPORT INVESTMENT PROPOSED

Hanoi NGOAI THUONG in Vietnamese Dec 85 pp 3, 4, 31

[Article: "Augmenting Export Investment"]

[Text] A glance backward over the 10 years since National Reunification Day will reveal new, gradual changes in the field of exports. The role, position, and effect of exports have been developed continuously and vigorously, thus contributing to gradually organizing and distributing social labor, to building the new economic structure, and to stabilizing the people's lives.

However, in view of the possibilities and demands, so far exports have been limited in many areas. They have been carried out on a small scale and have involved only a few types of goods. Exportation has increased at a slow and uneven tempo. There has been a slow increase or even none at all in the volume of traditionally exported goods, some of which have even suffered a reduction. The composition of goods has remained unchanged; their quality has been unsteady and that of some of them has even deteriorated seriously.

This situation has existed for many years, including the period preceding National Reunification Day. The state has implemented many policies to encourage the production of export goods, and the yearly export value has increased but this volume is still negligible. The root cause of this situation is the fact that our national economy is still based mostly on small-scale production and that the quantity of the goods produced is not yet sufficient for consumption. Therefore, even if various policies and measures are implemented to stimulate production and intensify state purchases of goods, it will still be impossible to increase exportation without paying attention to investing capital for this purpose.

Investing to develop the production of export goods is one of the most decisive and important policies which has been repeatedly mentioned in party and government documents. Decrees No 40/CP and 200/CP and Decisions No 113/HDBT and 177/HDBT of the Council of Ministers on policies and measures designed to encourage and develop the production of export goods all consider investment to be an important measure to increase sources of export goods. When reviewing the export situation, all recapitulative reports by the state, the Ministry of Foreign Trade, and foreign trade units at the central level have stressed that substantial or scanty investment is the principal reason for the quick or slow increase in export value.

In practice, however, not much has been invested in exportation. The capital invested in exportation still represents a tiny percentage. Responsibilities for investment have not yet been clearly defined. The effectiveness of investment is still low.

In agriculture, the land set aside to grow export crops is negligible and has increased slowly. The area reserved for yearly and perennial plants capable of yielding a large volume of agricultural products--such as rubber, tea, coffee, peanuts, soybeans, jute, tobacco, and rush--occupies only about 10 percent of the 1984 cultivated area.

In industry, intensive and extensive investment in exportation has been very limited. Out of more than 10 projects whose complete equipment has been imported in nearly 10 years, only a few installations have been built to promote exports--such as the refrigerating factory, the agricultural and forest product processing plants, and some cooperation projects used in agriculture, forestry, and mining. Some other projects have been used to produce goods for domestic consumption and simultaneously to promote exports. In general, the installations specializing in producing export goods are not yet strong enough to create a vast source of export goods. Nor has importance been attached to making in-depth investments to increase rapidly the output of export goods and improve their quality and value. Concurrently with this state of affairs, the capital invested each year in exportation represents a very low ratio. For example, in 1983 the capital invested in developing the production of rubber and coffee--two long-term industrial crops which play an important role among agricultural products destined for export--represented only 3 percent of the total capital invested in agriculture.

To effect greater change in exportation, to increase export value quickly to meet the requirements and tasks set forth in the 1986 plan, and to pave the way for development in the coming years, export investment must be considered one of the urgent and important long-term measures aimed at stepping up exportation. Based on research and study of the world market situation, on coordinated planning between our state and the CEMA member nations, and on our domestic production conditions as well as the socioeconomic effect of each category of goods, we must determine which goods can and must necessarily be developed in the forthcoming years in order to choose a specific direction for investment. Efforts must first concentrate on small crops and spheres which can rapidly yield effective export products to enable our state to carry out pledges signed with foreign countries.

To have an export product capable of competing with others and meeting the world market demand is the result of combined activities of many sectors and spheres of national economy and is also evidence of the export potential of a country. This potential is made up of these factors: objects of labor such as land, natural resources, and raw materials of various kinds; working means such as machines, equipment, tools, and infrastructural material bases including warehouses and merchandise preservation and transportation means; and a labor force which include professional standards for both producers and exporters. Only by aiming export investment at these three factors and by making proportionate and homogeneous investments can we increase productivity and develop sources of export goods. On the contrary, if we pay attention to one aspect and neglect the others, ultimately we will be unable to create export products to meet quantitative and qualitative demands. Especially at a time when a serious imbalance exists in many areas of our economy and when our production level is still low, it is all the more important to ensure homogeneity and harmy of export investment.

In the recent past, export investment has not only lacked homogeneity but also proven quantitatively inadequate. Above all, too little capital has been reserved for the export sector.

In view of the economic conditions of our country, which cannot yet produce enough for consumption and accumulate enough capital, we must admit that there are countless obstacles and difficulties in reserving capital for export investment. Though many sectors and localities realize that it is important to make investments if export is to be intensified, it is practically impossible to do so because our sources of capital are limited and because capital has had to be divided among different economic domains, all of which have urgent requirements.

To help solve this problem, Decision No 177/HDBT of 15 June 1985 of the Council of Ministers on policies and measures designed to step up exportation and strengthen control over imports and exports states: "The state will make (intensive and extensive) investments in the production of export goods and of raw materials used to make export goods. The plan to produce export goods and the 5-year plan to purchase export goods must involve both goods in kind and monetary value. The State Planning Commission will endeavor to provide adequate conditions--such as capital, material supplies, raw materials, electricity, etc.--for the export goods production plan and also for the purchase plan (if these goods are produced by the collective and individual sectors). At least 50 percent of the foreign currency or materials earned through exportation will be used for reproduction and the purchase of export goods. At the same time, all sectors at all levels and all units must try to exploit their own sources and potentials in addition to the materials supplied by the state."

"The State Bank has the duty to set aside capital for domestic use in granting priority loans to develop the production of export goods; it will also vouch for various localities and economic organizations to borrow foreign capital to invest in developing the production of export goods."

In recent years, some sectors and especially localities have set aside an appropriate portion of foreign currency or materials earned through exportation and have invested it in production and purchase. As a result, there has been a substantial increase in the volume of such commodities as coffee, cashew, aleurites montana, and so on.

According to the spirit of Decision No 177/HDBT of the Council of Ministers, in drawing up the 1986 plan, an appropriate percentage of materials has been earmarked for producing and purchasing export goods. This is a new indication of new possibilities and conditions of organizing the production and purchase of export goods. It also illustrates the state determination to overcome difficulties and to bring about further change in exportation with a view to meeting the requirements of our revolutionary mission in the new stage.

There is now an urgent need to try by all means to implement this plan. We must make sure that the foreign currancy and materials earned through exports will be set aside to reproduce and purchase export goods in order to promote exportation. The amount of foreign currency and materials reserved by the state for the production and purchase of export goods must absolutely not be used for other purposes. Toward this end, it is necessary to improve the method of distributing and managing materials within the foreign trade sector and to control and inspect intensively the distribution and use of foreign currency and materials to promote the production and purchase of export goods.

The ratio of capital investment reserved by the state for exportation must be strictly applied.

In addition to the responsibilities lying with the competent sectors at various levels, import-export units from the central to the local echelon also have the duty to invest in developing the production of those categories of export goods which have been assigned to them. In addition to deciding which kinds of goods and crops need investment, business units must play an active role in making investment to promote exportation as well as in finding capital to make advance investments in production. While making investments to carry out the planned immediate tasks, right now it is necessary to think about investments designed to develop exports in the coming years.

By determining the right direction, by carrying out tasks uniformly, by applying various methods, by clearly assigning tasks and responsibilities, by creating sources of essential capital, and by reserving an appropriate percentage of foreign currency and materials earned through exports for the purpose of reproducing and purchasing export goods--if all these are done satisfactorily--we will certainly be able to bring about further change in exportation.

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PARTY ACTIVITIES AND GOVERNMENT VIETNAM

NEED TO IMPROVE QUALITY OF CADRES, REFORM SYSTEM DISCUSSED

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 18 Apr 86 p 1

[Article by Nguyen Huu Tai, Ho Chi Minh City Youth Union: "Carrying on Cadre Work and Changing the Mechanism Are Today's Leading Measures"]

[Text] In recent days, the cadres and party members have studied and tried to understand Resolution 31 of the Political Bureau and stressed the six important measures aimed at correcting the mistakes and overcoming the serious shortcomings in implementing the "currency, wage, and price" policy. While there has been much enthusiasm, there has also been much concern and indecision. Because the six measure do not say anything about carrying on cadre work or making innovations in the mechanism.

A question that must be considered carefully is whether we can correct the mistakes and rebuild things if cadre elements are maintained like before and there is a backward and bureaucratic mechanism that is slow to act and that is aloof from the masses. If, for example, a building develops cracks and collapses even before construction has been completed, should we keep the architect who designed the building incorrectly? Carrying on cadre work and maing innovations in the mechanism are the leading tasks today and decisive levers for implementing the other measures.

Our society will not accept leading cadres who, while living among the people, live "above" the people instead of like the people. They cannot understand the difficulties facing the masses.

We have appealed to criticism and self-criticism. I think that the party and the authorities at the various echelons must create conditions and provide the necessary organization so that the masses can manifest their collective ownership rights. We can't appeal to people--show mastery and try to save your house even though it is about to collapse--when they are confronted by many obstacles, and people who have shown great enthusiasm have been hurt.

I also think that self-criticism must begin with the leaders. If the leaders do not engage in self-criticism and review themselves, what can the masses use as a basis for making criticisms and contributing constructive ideas? But it seems that the ideas lack a scientific basis and are too general.

Our city has always taken the initiative in solving the problems and gradually stabilizing the lives of the masses. However, the party's leadership has not gathered forces or mobilized the integrated strength of the city in order to solve the burning problems facing the masses. Take the housing problems, for example. Why haven't we stopped building public projects that are not needed in the immediate stage? Why haven't we stopped establishing and expanding organizations? Do we really need to build a Precinct 10 theater, a Saigon supermarket, and a new public park when the full potential of the existing projects has not been exploited? Should we continue to allow other places that have established agencies and officers in the city to use our surplus area? The offices of the state, party, and mass organizations are large and spacious and are guarded by soldiers. The people don't dare go near them. The housing and housing distribution problem must be solved by taking an independent stance. Priority must be given to building materials in order to repair buildings for the people. Buildings must be sold to the people so that they can repair them themselves, and new buildings must be constructed for distribution or sale to households living in slums and to workers and civil servants who do not have houses. The housing sector must coordinate things with the agencies and enterprises and participate in building housing for the units' cadres, workers, and civil servants. The housing sector must not be the only one responsible for providing housing for the workers and civil servants while many agencies and enterprises enjoy welfare services and spend money extravagantly.

In the sphere of education, the lives of the students are very difficult, and instructors at all levels, from day nursery and kindergarten teachers to college instructors, live in poverty on salaries that allow them no way out. Why do we allow this state of affairs to continue? What do leaders think about the lavish meals of a number of cadres in the production and business sectors and the poor-quality meals, whose nutritional value is declining, that are served in the day nurseries and kindergartens?

"For profits for 10 years, plant trees. For profits for 100 years, raise people."

Everyone knows this saying. But how can students live on scholarships of 100 dong a month?

My final idea concerns telling the truth. The masses speak the truth. The newspapers and magazines must print the truth, too. When someone is "fired," they write "quit the job" (and this is without mentioning that people quit this job in order to take a higher position). For "accomplice" they write "those jointly responsible." Whenever someone is prosecuted or someone commits a violation, they must print the person's name and position and tell what he did wrong. It isn't enough to print "Nguyen Van Y..., agency X....

If the masses dare to speak the truth and the press dares to print the truth, the party and state must dare to face the facts and handle things based on those facts. They can't review things by saying that "we, too have shortcomings. We, too, bear responsibility."

"The party trusts the people, and the people trust the party." For the people, the party must prove its greatness in combat and socialist construction.

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PARTY ACTIVITIES AND GOVERNMENT VIETNAM

SHORTCOMINGS OF CRITICISM, SELF-CRITICISM DRIVE DISCUSSED

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 19 Apr 86 p 1

[Article by a team of political reporters: "What Are the Self-Criticism and Criticism Prepations Like at a Number of Party Bases? Many Manifestations of Neligence and of Doing Things for Form's Sake, Generalizing, and Not Daring to Face the Truth"]

[Text] To date, almost all the subward party organizations and chapters have finished preparing review documents and making preparations to obtain constructive ideas from the people. A small number of party organizations and bases have made relatively specific reviews. The newspapers and magazines have published reports about this, and public opinion has been favorable. But there are still many places that have not made specific reviews. In Tan Binh Ward, the chapter committees in Subwards 1, 7, and 20 have engaged in self-criticism in front of the people. But the number of people invited to attend has been limited, few ideas have been contributed to the party chapters and party members, and no ideas have been given to the party chapters on formulating action programs for the coming term. In selecting good-quality and talented party members for election to the party committee echelons, no attention has been given to the ideas of the masses. The self-review of the chapter committee in Subward 7, Tan Binh Ward, has listed many strenghts and weaknesses but has not gone deeply into what has caused the shortcomings or who is responsible. Thus, the guidelines given by the party chapter for overcoming the shortcomings have not been specific. After reading the review document, we feel that there are a number of problems that can be clarified easily. But instead, all that has been said is that a "number of negative phenomena that have arisen recently have not been handled promptly or resolutely". Or, a "number of leading comrades in the subward have made mistakes in using state funds." Why haven't the masses been told the names of these comrades? Is this something that they are trying to avoid during this self-criticism campaign? The review document of the Subward 24, Tan Binh Ward, party chapter is filled with generalizations, too. For example, "the party echelons lack sufficient understanding" and "the party echelons are not concerned about leadership." We suggest that the Standing Committee of the Tan Binh Ward CPV Committee reexamine the self-criticism contents of the party bases. They should not rush to complete this if this means failing to achieve the results stipulated by the Standing Committee of the Municipal CPV Committee.

The subprecinct 8 and 14 secretaries in Precinct 1 told us that the review documents have been completed, but that they are "bankrupt." We read the "bankrupt" review documents of subprecincts 8 and 14 and saw that they are the same as those of other units. They mention the strengths and weaknesses but do not blame anyone. We welcome the decision by the party echelons in these subprecincts to rewrite the review documents. The reports of many other subprecincts are similar to these. The review document of Subprecinct 7, Precinct 1, does not mention any accomplishments. All five typewritten pages deal with shortcomings. And yet these are just generalizations. For example, the "thinking of the cadres manifests contentment and lacks drive and creativity," "criticism and self-criticism is not frank," and "a number of comrades do not have the capabilities to carry on activities." The review document of Subprecinct 7 does not mention specific measures to overcome the shortcomings. The same is true of the self-criticism document of the Subprecinct 20, Precinct 1, party organization. It mentions many weaknesses, but they are all generalizations. And no measures for overcoming the weaknesses are mentioned.

We feel that simply mentioning many shortcomings of a general nature means that people have not faced the truth squarely. The report by the Subprecinct 8, Precinct 4, party chapter is the same. There are presently many obstacles to speaking plainly and honestly at the party bases. Many comrades at the subprecinct have said that the problem is that they are "not used to" self-criticism and that there are no self-criticism and criticism "models." We think that they are actually afraid of responsibility and do not want to confront each other. They want to "keep the peace" during criticism and fear having their accomplishments belittled. The self-review of the Subprecinct 20, Precinct 1, party organization stated that "people run after achievements and do not promptly and resolutely discipline party members who make mistakes. They are afraid that if party members are disciplined, the subprecinct will lose emulation points." In this self-criticism and criticism drive, if party echelons everywhere think this way, self-criticism and criticism will definitely fail to satisfy the requirements. We asked the secretary of Subprecinct 19, Precinct 3 why the self-review document was so sketchy and general. He replied: "It's very difficult." We feel that this "great difficulty" can be overcome. Because the next day, the secretary of Subprecinct 19 mentioned a number of specific shortcomings and responsibilities of comrades in the party committee echelons and a number of party members, including some of his own shortcomings.

With a spirit of being able to overcome the "great difficulties" mentioned above, comrades in the Subprecinct 24, Precinct 5, party committee echelons and Vo Van Long, the secretary of the Subprecinct 12, Precinct 4, party organization told us that criticism must be specific and frank. If it isn't, it is meaningless.

Based on a number of self-criticism documents and talks with secretaries in a number of subprecincts, it can be said that the comrades in the primary level party committee echelons can find self-criticism and criticism "models" for themselves. As Mai Chi Tho has said, there must be a spirit of being honest in making self-criticism and daring to face the truth squarely even if the truth is painful. The party bases have enough time to examine things and ensure that the self-criticism and criticism themes are specific and that they focus on the key problems. There is also enough time for higher echelons to review closely the self-criticism and criticism spirit and themes of the party bases and promptly correct incorrect manifestations, such as being negligent, doing things for form's sake, generalizing, and not putting forth specific measures to overcome the shortcomings. The time plans must not be allowed to affect the quality requirements of this important ideological activity.

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PARTY ACTIVITIES AND GOVERNMENT VIETNAM

WRITER: USE CRITICISM, SELF-CRITICISM TO CORRECT MISTAKES

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 19 Apr 86 pp 1, 4

[Article by Nguyen Truc Quynh, retired cadre, Subprecinct 7, Precinct 1: Self-Criticism and Criticism From the Base"]

[Text] Self-criticism and criticism is not a new problem for our party, a new-style party of the proletariat. But this has become an urgent requirement for our country's revolution today. We have slighted this problem for a long time now. Little attention has been given to this since the south was completely liberated.

Each social phenomenon has its own objective and subjective causes, proceeds from an unorganized to a centralized state, and is popularized according to specific laws. Unless things are done calmly, it is easy to go from one extreme to another, which could lead to even greater disorder in society, which needs to be stabilized. In my view, this self-criticism and criticism campaign must be implemented gradually. There must be a center. It must move from the base to the top and from the basic to the essential. There has been a serious loss of balance in the economy and society. A number of cadres in the sectors and echelons have become degraded, and people have begun to lose confidence in the party and state. We feel that this self-criticism and criticism campaign must be aimed directly at these problems.

I would like to mention a number of ideas:

After the south was completely liberated, each family and person in the country was filled with enthusiasm. Peace allowed us to become involved in the socialist revolution with a new spirit.

But in the south, we applied the north's lessons in socialist transformation too closely and mechanically even though the economic and social conditions in the two regions were very different. We all know the results. In a large number of prosperous rural areas in Nam Bo, the peasants have destroyed the rice fields to plant gardens and left the fields to become merchants. In the cities, there has been a slow-down in the small industry and handicrafts sector. A large number of middle and small businessmen have destroyed their property because they have been labeled capitalists. This has affected solidarity between the proletariat and the urban small capitalists, who worked closely for many years in the national democratic revolution. Conversely, through transformation, although there is no longer a capitalist class in the south, there are still individual capitalists, and the number is increasing. Following the currency changes and the implementation of a number of policies on price increases and styles, their materials and commodities stored in secret dispersed and mobile storehouses have flooded the so-called "unorganized" markets in both the south and the north. Sugar-coated bullets from hidden blockhouses, which have occasionally been fired bluntly and openly, have "hit" a large number of our cadres and party members. Not only have they felled people on the battlefield of class struggle, but they have also penetrated the "palaces" surrounded by strong walls.

Transforming our country from a divided country with separate strategic tasks into a unified country with the same strategic tasks is a long-term and very complex process of revolutionary change. But a large number of the positions and policies of the party and state have not changed. Some of these are out of date, and they are holding back and damaging production. Many people who suffered from the effects of the war are now suffering additional difficulties. The confidence of the masses in the party and government has declined constantly.

Because of the development requirements of the revolution, many new organizations have come into being. Many opportunistic elements have been drawn into the state organizations. Not only are they degenerate, but they have had a bad influence on people who scored many achievements during the two wars of resistance.

In cadre work, promotions are based on element-ism and localism. Based on "accomplishments," some have held a "number of seats" for a rather long time, but they are no longer effective. Added to this is the fact that the administrative apparatus is cumbersome and nonproductive with overlapping and complex mechanisms. A number of key cadres in leading sectors like others to listen to them, but they don't like to listen to others.

In ideological work, after the war, with the propaganda and educational organs, we sometimes tried to make each other think that all the food, housing, educational, and transportation problems had been solved. Some people said that with the Mekong Delta, we no longer had to worry about rice shortages and that no other country in the world was a rich as us. Unfortunately, the people who said such things were the people with responsibilities.

After decades of war, everyone wants a better life. In daily life, if something unusual happens, people remain indifferent and don't want to help others when they slip in the mud of ordinary life, which is less than ideal. The agencies responsible haven't implemented any measures to prevent this.

The above are a number of reasons that help to explain many negative aspects in society of which everyone is aware. The question is, why have these negative aspects been allowed to drag on for so long? Has the effect of the bureauractic administrative organizations been to prevent our party from hearing, seeing, and understanding the country's present situation? Because of this, the present self-criticism and criticism campaign must start from the base, the central government, ministries, and committees, the central sectors, and the high-level specialists who are frequently in contact with members of the Political Bureau. Following that come the party committee echelons and various echelon authorities. Reviews must be made to discover the mistakes, and measures must be implemented to correct them. People must receive encouragement, but those who intentionally make mistakes, who are too conservative, or who are slow in performing their duties must be disciplined. Just because this congress will complete a round from the bottom up, we cannot abandon the party's principle of criticism from the top down and from the inside out, which has been in use for a long time.

Cadres, party members, and the masses hope that there will be a powerful revolutionary change in the country beginning with the preparations for the congress. This includes the criticism and self-criticism problem. We are waiting and are ready to contribute to this.

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PARTY ACTIVITIES AND GOVERNMENT VIETNAM

READERS CONTRIBUTE OPINIONS ON PARTY CONGRESSES

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 1 May 86 pp 1, 4

[Contributing Opinions on Party Congress column: "Recommendations of Party Chapter 3, Subprecinct 11, Precinct 3; Overcome 'Opposing Forces,' Do a Truly Good Job of Organizing the Self-Criticism and Criticism Campaign; Oppose the Holding of Sumptuous Parties, Celebrations, and Gift Giving During Congresses and Conferences"]

[Text] We number in all 43 male and female party members of Party Chapter 3, Subward 11, Precinct 3. Having studied Directive 79 of the Secretariat, we have sent to the editorial board, so that it can publish in the "Contributing Opinions on the Party Congress" column, the following opinions, which we unanimously approved in a meeting held on 19 April 1986.

1. That directive states that "The upper echelon may be directly criticized." We recommend that criticisms may be made as high as the Central Committee, as stipulated by the Party statutes. Is the level of party members not as high as during the previous congresses? And at a time when there is much talk about the people serving as the masters and openly contributing opinions to the Party, why should one party member not criticize another party member at any level?

2. It is necessary to strengthen the strict requirements with regard to all party members in leadership positions. We recommend that in the present criticism and self-criticism campaign the leadership echelons carry out self-criticism first, beginning with the Political Bureau, the Secretariat, etc., to set an example.

Although we good example of criticism and self-criticism provided by the Soviet Union and Cuba, but tyhey are distant examples. The party members need close-at-hand examples, "within sight and hearing." With regard to ability and quality, it is difficult for the lower echelon to completely fulfill the requirement of being "truthful, brave, responsible, of good will, etc." if they lack the direct inspiratin of living examples and good models.

The newspaper SAIGON GIAI PHONG, in the article "What Has Been Noted in Preparations for Self-Criticism and Criticism in a Number of Basic Party Units?" which was published inits 19 April 1986 issue. The article stated, "There are many manifestations of superficiality, formalism, generality, and failure to look directly tat the truth," which proved the necessity of having good examples of self-criticism at the upper echelon.

That is very much in accord with the Party Statutes: "The upper echelon must carry out self-criticism before the lower echelon" (Statutes of the Vietnam Communist Party, page 14, third line from the bottom).

3. We also agree with the party documents which state that "The key condition for doing a good job of holding party congresses is to do a good job carrying out self-criticism and criticism." That purifies the moral atmosphere of communists, and on the basis of good self-criticism and criticism accuracy and strictness in selecting people to the leadership echelons and removing people from the leadership ranks, or even expelling them from the ranks of the Party, will be ensured. Our Party is certain to become much stronger.

From the three recommendations above we see that cadres must set aside sufficient time to thoroughly and incisively carry out the present self-criticism and criticism campaign. If necessary, it is possible to postpone the holding of congresses at all levels: good preparation accounts for half the success of the congresses.

It is necessary to resolutely purge and bring to justice degenerate cadres, beginning now, in the course of self-criticism and criticism, without waiting for the congresses. The degenerae, conservative, and backward elements cannot be allowed to continue to cause losses for the Party and the people and to limit the success of the congresses.

Le Ngoc Can
On behalf of the Chapter

It may be said that we have been more or less "motivated." The report--although it was only an excerpt--of comrade B.N. Ensin had a "miraculous" attraction. The writer Tran Dinh Van said that he went from Quang Ninh, a northern border province, to the maritime city of Hai Phong and Hanoi. Everywhere he noted increasing enthusiasm and discussions full of interst and ardor. In Ho Chi Minh Cith the situation and sentiment were similar.

Clearly, that was the manifestation of a thirst, a demand, a common need of society from north to south: the requirement of being able to hear the truth and see the nobility of the Party of the working class manifested in the present criticism and self-criticism campaign. To achieve what we desire will not be without difficulties: we must defeat many opposing forces.

Feudalist, paternalistic thinking must be mentioned first of all. It has been deeply rooted in Vietnamese society and social psychology for centuries. Added to that, for several decades we lived under the bureaucratic centralism-state subsidy mechanism with regard to economics and society, and degeneracy are now penetrating and spoiling a considerable number of party members. Popular opinion has long silently lamented that even in the proletarian dictatorship there are people who take so many bribes andare so corrupt that they "can spend for several lifetimes without spending it all," but they still placidly live outside the law.

The second obstacle is that "No one has the right to question what the people in authority say, and their exists the situation of the leaders never being wrong and of 'two-faced virtue'" (B.N. Ensin). They have given themselves a monopoly on truth, so how can they accep self-criticism, let alone accept self-criticism from the bottom up.

The masses fear most that power, a power which usually "stands outside the sphere of criticism. The requirement of eliminating all "forbidden territory," from top to bottom and both within and without, has become extremely urgent in order to escape from the psychology of "limited optimism, we still must wait and see" and the psychology of suspicion and worry because there are ways of covering up by many people with real authority" to prevent everyone from speaking the truth.

Accompanying, and tied very closely to, the above-mentioned powers, are the opportunists, who specialize in seeking personal profit, and whom Karl Marx called the ugliest, the most despicable. In nature they ae more monarchist than the king and invent all kinds of rationaizations: we are encountering many difficualties, living standards and prices are still very unstable, to expose the truth at this time would be to help the enemy and lift up one's shirt so that people can see one's back, the enemy will take advantage to slander our leadership, etc. They do not realize that the great difficulty we are experiencing is that confidence is being eroded. The best way to restore prestige and regain confidence is truthful, courageous, and frank self-criticism and criticism, followed by resolute corrective steps.

Resistance and obstacles in self-criticism and criticism cannot be regarded lightly. In order to create a wholesome atmoshphere, effectiveness, and a party nature for the present political activity campaign, in addition to arming people with theoretical knowledge of the goals, significance, attitude, etc., there must also be study of realistic organizational measures. There must be a new working method and new requirements.

The leadership echelons from top to bottom must carry out criticism and self-criticism frist in order to set an example.

If the person carrying out self-criticism is a representative of the people (to the National Assembly or to the People's Council), the self-criticism document must be approved by the people who elected that representative.

The upper echelon should contribute specific opinions to the leadership cadres of the banking, tax, commercial, customs, real estate, and export-import organs must enter deeply into matters about which people have complained and spread rumors about, and which are most harmful.

The Party organizations must inspect the current political activity campaign thoroughly and effectively, without being formalistic, general, or superficial, and with effective measures.

Our Party should learn from the use of the measure of open information about the reports of leadership cadres, and the party, governmental, and economic organs regarding the good or bad implementation of the decisions of the Party and government.

Perhaps some people think that they are different from other people. But now do they differ? First of all, we are still proud of our Party because it is steeled, combative, skilled, and loyal; and product of our people for their revolutionary enlightement, and strong political consciousness, and loyalty toward the Party. Why should we be excessively hesitant and worried when we make the people responsible for overseeing matters relevant to their vital interests, about people who are "both their leaders and their loyal servants"?

If the present self-criticismnd criticism and criticism campaign is carried out well it is certain that the people will nave more confidence in the Party, and the Party more confident in the people, than ever. That is our political path of escape and advance in view of the present situation.

Tran Van Duy
Precinct 3

Our country is still expriencing many difficulties. The children still have to attend school in three shifts. Many families have to worry where the next meal's coming from. Thus the matter of economizing on time and social wealth is even more essential. That matter must be posed throughout the Party and the population, especially in the organs and enterprises.

In recent years the phenomenon of organizing parties, celebrations, and banquets on the occasion of the Party Congress, or congresses of the Yputh Union, the Trade Union, the owrkers and civil servants, has occurred in most organs and enterpses. When the congresses are held large amounts of money are spent on "celebrations" and on setting of fireworks to celebrate accomplishments. There are also special "trays" set aside for the leadership committee and invited guests, and gifts for the guests. If one organ does so the other organs will also do so, less they be "ridiculed"? If such things are done for the Party Congress they are also done for the Youth Union and Trade Union congresses. Thus the practice has become habitual. Every time there is a congress or a recapitulation there is as excuse for a celebration. Some people even say that "If we do not do so the congress will be less sumptuous." All of those expenses are obtained from funds or are included in the production costs or circulation expenses, while in the movement activities there is a "lack of funds" to serve production labor and the welfare of cadres, workers, and civil servants.

Furthermore, in some instances units also organize parties, receptions, and gift giving on the occasion of plan approval and review meetings, inspections by the upper echelon, etc. If they frequently attend receptions and accept gifts, how can the upper-echelon cadres have sufficient courage to uncover negative phenomena? Furthermore, those expenditures are all made from public funds.

Those phenomena cause must waste of time and much of society's wealth, creates a bad practice in cadres' work style, and creates a basis for untruthful eports and observations that lack "frankness and truth."

We would like to recommend that the Municipal People's Committee issue a specific directive forbidding the units, organs, enterprises, sections, and sectors from organizing celebrations, parties, and banquets on the occasion of party congresses, mass organization congresses, quarter and annual recapitulations, etc., and forbidding the organization of receptions and gift-giving during meetings with upper-echelon organs similar to the recent People's Committee direction forbidding the consumption of alcohol.

In order to carry out that line well, I recommend that the people's inspection sections of the units and mass organizations bring thier collective mastership role into play to stop such phenomena.

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CSO: 4209/616

WAYS TO STRENGTHEN SOCIALIST MARKET DISCUSSED

Hanoi NHAN DAN in Vietnamese 18 Apr 86 p 2

[Article by Cao Duy Ha: "Economic Forum--About Current Work on Market Organization, Management"]

[Text] The market is an objective economic form closely connected with commodity production and exchange.

During the first stage of the transition to socialism in our country marked by intense activities of various economic processes, the market is presently the greatest economic problem in the field of circulation, where complex economic phenomena come together, reflecting the most acute attributes of the struggle between capitalism and socialism and between small-scale production and large-scale socialist production. It is imperative for the proletarian dictatorship to control and dominate firmly the market right from the outset so that it can put to use, according to plan, the relationships between merchandise and currency, economic levers, and laws on values to support transformation, to foster a redistribution of social labor, and to stimulate technological improvement, thus contributing to raising social labor productivity to accumulate capital for industrialization, to ameliorating living standards, and to accelerating the transformation of small-scale production into large-scale socialist production in our country.

The current market situation urgently calls for new managerial measures and structure in keeping with the resolution of the Eighth Plenum of the CPV Central Committee aimed at eliminating the system of state subsidies and bureaucratic centralism and at switching to economic accounting and socialist business to enable the state to control the market, merchandise, and money and to bring commodity circulation right into the socialist orbit.

Experiences from all struggles--be they economic or military--indicate that, in all fields, a material force must be defeated by another material force. The instinctive capitalist economic force of small-scale production and all negative aspects of the present free market must necessarily be repelled by the ever-growing economic force of the organized socialist market.

Since our country is now in the first stage of the transition to socialism, conflicting components still inhabit its economy, giving rise to three different forms of commodity production--small-scale commodity production by peasants and handicraftsmen not yet integrated into cooperatives; individual capitalist commodity production by middle-size and small bourgeois not yet subject to socialist transformation; and socialist commodity production by the state-run, collective, and family economies. Their activities are divided into two kinds of markets--the socialist market and free market. These two forms are not apart from, but rather intertwined with, each other to create a transitional social structure.

In the face of that truism, we must have a correct perception about the market to understand its transitional character clearly, firmly control economic forces at work, lucidly determine which force must guide and dominate the market, and understand the ongoing struggle between economic forces, the nature of that struggle, and the fundamental and essential contradictions that must be solved. On that basis of adequate and accurate understanding, we must devise the most fitting managerial system in order to use the market as a common economic "link" to bind different economic elements into a unified system under the leadership of proletarian dictatorship with a view to steering the activities of all commodity-money relationships toward a common orbit, that of socialism.

In light of the Soviet Union's experiences, Lenin pointed out that in each revolutionary period, to enable society to advance we must know how to identify a major link, holding on to it with full force to maintain the entire chain in place and then gradually moving to adjoining links. In the first years of the transitional period in the Soviet Union, according to Lenin, that important link was "trade," commodity exchanges, and the need to dominate the market and regulate it, under the guidance of the proletarian dictatorship.

Current realities in our country clearly show that, since the transitional economy consists of many elements, its market relationships are diverse and complex. Economic components do not exist side by side unconnected; on the contrary, they are intertwined, exerting influence on, struggling against, and rejecting each other. Fully reflecting that intricate overlapping, the market must evidently become a place of "coexistence," based upon conditions and principles, between different economic elements within a transitional economic system. The market also witnesses a sharp struggle between small-scale production and large-scale socialist production and between spontaneous capitalist tendencies and the self-conscious ascent to socialism of small-scale production. Hence, in the present stage, economic managers must learn to utilize market relationships skillfully and effectively to transform non-socialist economic elements and consolidate socialist economic elements.

A characteristic of our market in the present stage is that it carries the transitional nature of a diverse economy as well as attributes of a commodity economy that has begun to develop. As a result, the market is regulated by two sets of economic laws--those of socialism and those of small-scale production moving up to large-scale production. Thus, we must firmly grasp both sets of economic laws, seeing to it that they are reflected in the policy of market organization and management.

Lenin enunciated laws for the change from small-scale production to large-scale capitalist production--first, from production for self-sufficiency purposes to simple commodity production; second, from simple commodity production to inevitable ascent to large-scale capitalist commodity production. Both changes are spontaneous, setting the tone for corresponding market configurations.

Our situation, however, is different. We create large-scale socialist production through a self-conscious revolutionary process, which has changed small-scale production to large-scale socialist production. That process is a coupling of socialist transformation of the national economy with the planned development of a commodity economy right from the beginning, simultaneously with putting in place a unified and organized market nationwide. Nevertheless, to succeed we must engage in economic construction and a fierce struggle in both production and circulation fields throughout the transitional period. During that stage, the struggle is most ferocious because the economy then still is bound to accommodate different elements, the fledgling organized market has yet to get the upper hand, and the free market still has large economic staging bases at its disposal.

A peculiarity of our free market is that it thrives not only on "legal" activities but also on "illegal" ones, including speculation, smuggling, counterfeiting, and collusion to pluck goods from state storehouses. These illicit circulation activities have created a "black market" in conflict with state policies and socialism. At present, the scope of activities of the black and free markets is still moderately large and their negative effects on economic and social life are quite substantial. To curtail and eliminate these negative aspects and purify the social market, we must leave no stone unturned in consolidating and expanding the organized market and in strengthening market management with state laws and measures. Lax and discretionary management can never carry the day.

These negative aspects which we must strive to correct are fallouts from market management deficiencies in recent years. That the socialist market has developed at a very slow pace since 1976 is unacceptable. Consequently, bourgeois merchants and small traders--their allies--are now going out of their way to resist state inventorying and control nationwide. That situation must promptly come to an end. Economically, it is now pressing to guide all activities of economic elements toward the socialist orbit along with strictly organizing and managing the market.

Are we capable of resolutely organizing and managing the social market and bringing it into the socialist orbit? Our party has clearly indicated that, in light of our socioeconomic conditions in the present stage, the proletarian dictatorship is fully able to accomplish that task.

In organizing and managing the social market, it is urgent:

First, to focus on rationality, adding more brawn to socialist commerce. Our market still is a transitional one; thus, for management purposes it is extremely important to rearrange and redistribute participating forces to channel strength to socialist commerce. To do that, first of all we must mindfully see to it that the market structure rationally accommodates state trade, marketing cooperatives, trade in rural markets, and joint commerce between the state and private merchants. That structure must unequivocally illustrate the commitment to vigorously developing socialist trade and to appropriately restricting--and gradually reducing--other commercial organizations, using some small merchants as commercial agents while step by step shifting the rest back to production. At present, market rearrangement and reorganization must be aimed at expanding commodity circulation in an organized and orderly manner, especially stressing the exchange relationships between industry and agriculture to stimulate strong production growth, raise living standards, gradually curb the free market, and ban all illegal business activities from the social market.

Second, reinforcing further party and state leadership at various levels and harmoniously coordinating organs with related sectors are important measures enabling market organization and management work to gain its ends.

Now more than ever, requirements of daily life and of societal development call for strengthening the leadership of party committee and administration officials and achieving harmonious intrasector coordination on tangible matters--fortifying socialist commerce; transforming private trade; managing prices; inspecting and controlling market activities; detecting, tracking down, and eliminating speculators and smugglers; and reorganizing small merchants into groups working under state guidance.... Success can be achieved only with the direct leadership and guidance of party committee and administration officials and harmonious coordination of sectors--domestic trade, foreign trade, finance, price commissions, banks, communications, transportation, public security, courts of law, etc. Facts have shown that the unfitness, or malfunction, of a single sector, level, or organization, even a link in the circulation process, is enough to throw the entire social market into confusion.

Third, to delimit responsibilities immediately and rationally for those still permitted to remain within the social market system in order to avoid encroachment, overlapping, and competition for purchases and sales, and to ensure a rapid flow of merchandise from the production places right into consumer hands, reducing commercial intermediaries in the process. Commodities under a state monopoly are to be handled exclusively by state-run trade, and in places beyond its network, by proxy marketing cooperatives. Private trader is strictly prohibited from dealing in these goods, except for those in which state trade and marketing cooperatives are not interested. Long-distance business is entrusted to state stores while cooperatives are mainly in charge of the rural market. The extent of involvement of private merchants in those goods they are authorized to deal in must be clearly regulated. Administrative measures--prompt prosecution, confiscation of proof of illicit goods, and administrative punishment of wrongdoers--must be used to prosecute speculators, smugglers, counterfeiters, and illegal traders severely.

Fourth, to perfect the ranks of managerial and vocational cadres doing distribution and circulation work, stressing both competence and virtues.

One of the central tasks of the entire party and people at present is to organize and manage the market and steer it toward the socialist orbit. A decisive factor for success lies in unceasingly expanding and consolidating the economic clout of socialism in production and circulation. And success in market organization and management will effectively contribute to eliminating the system of state subsidies and bureaucratic centralism, switching the economy to economic accounting and socialist business and directing production and living standards toward stability and development.

9213/12795
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ECONOMIC PLANNING, TRADE, AND FINANCE VIETNAM

BRIEFS

'REVERSE SUBSIDIES'--Ever since the Ice Production Enterprise in Cu Chi District began using economic accounting and socialist business practices based on the spirit of the resolution of the 8th Plenum, business has been better than ever. In 1985 the enterprise made a profit of 450,000 dong. This year, having expanding relations with other places, especially by supplying ice to the marine products sector, the enterprise is striving to fulfill the norm of increasing budget contributions fivefold as compared with last year. However, there is one thing about which the workers at the enterprise are very upset. For more than a year now, the enterprise has had to supply a quantity of ice to a district agency free of charge on the order of the enterprise management organization. Some people call this a "reverse subsidy." Being forced to supply state products free of charge over an extended period of time like this has resulted in the enterprise losing a large sum of money. And what is even worse is that this has reduced workers' confidence in higher echelons. The situation in which a number of higher-echelon agencies use their powers to force lower-echelon agencies to "offer" products to them as in the case of the Cu Chi Ice Enterprise is quite common in our city. Public opinion demands that this be stopped at once. [By Mai Van] [Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 18 Apr 86 p 2] 11943

CSO: 4209/594

SHRINKAGE IN HANOI TOBACCO PLANTING EXAMINED

Hanoi NHAN DAN in Vietnamese 18 Apr 86 p 2

[Article by Vuong Dua: "Can Hanoi Double Its Present Tobacco Acreage?"]

[Text] From Tobacco Planting in Son Tay City...

In recent years, along with intensive rice farming, pig breeding, and a rapid increase in crop and animal husbandry yields, Son Tay City (Hanoi suburbs) has expanded agricultural acreage and achieved an integrated business to turn out a large quantity of agricultural products in support of the people's living standards and exports--a way to acquire supplies for reinvestment in production. For the city, this continues to be a strategic economic goal in the coming years, especially the effort to expand tobacco planting on hilly land. In the past 5 years, the tobacco crop has taken a step ahead, bringing about a truly substantial and variegated profit. Prior to 1980, throughout Son Tay City only three cooperatives grew tobacco with negligible acreage and output. Just 5 years later, the nubmer of interested cooperatives has gone up to 13, entailing an increase in tobacco acreage from 60-70 hectares (1981) to nearly 400 hectares (1985) and an output of nearly 200 tons--a three-fold increase over 1981. Tobacco not only enriches the crop family but has also contributed to exploiting the multiform potential of tens of thousands of hectares of hilly land--on which cooperatives in the past could grow only a single low-yield rice crop plus a subsidiary food crop--and to doubling, even tripling, economic efficiency, adding millions of dong of revenue to the municipal treasury per year. Son Tay CPV officials affirmed that, had obstacles not exerted a bad impact on grower psychology, it would not be a distant possibility for the city to capitalize on past development tendencies to expand tobacco planting to 500 hectares in the next several years, enabling it to sell from 250 to 300 tons of raw tobacco a year to the Thang Long Cigarette Factory....

Regrettably, tobacco cultivation in Son Tay has gone up rapidly only to go down at an even faster pace. Hanoi has assigned a 400-hectare norm for this year's winter-spring season, but the city was barely able to fill nearly 300 hectares. Rice, peanuts, and subsidiary food crops have replaced tobacco on the uncultivated acreage. Municipal authorities are afraid that, if the declining trend holds up, this year's tobacco crop would produce only 160 tons at best--a nearly 50 percent decrease from last year. And next year, how many cooperatives will be left "carrying a torch" for tobacco cultivation?

...To a Thought About Tobacco Planting in the Hanoi Suburbs

By this time last year, travelers leaving Son Tay City for Ba Vi District or Soc Son were treated to the sight of green spring tobacco fields. This year, instead, those fields grow rice and peanuts. Leading district party officials fear that the tobacco granary in the Hanoi suburbs is in danger of collapse. Nearly all tobacco areas in these districts can fulfill only about 50 to 60 percent of the plan assigned by Hanoi. At a meeting to review the Hanoi winter-spring crop, Nguyen Cong Tan, vice chairman of the municipal people's committee, noted: "Tobacco planting has severely decreased." He then cited statistics to show that by the end of the productive season, all 12 districts and cities in the Hanoi suburbs were only able to grow tobacco on more than 2,000 hectares--just 60 percent of plan and over 1,000 fewer hectares than last year.

In our opinion, there are two reasons for the shrinkage of tobacco planting in Hanoi:

First, district and installation guidance over production is not yet consistent and resolute. Other crops than tobacco can be grown on tobacco fields and during the tobacco-planting season. Since tobacco manufacturing must go through many complex stages, strict guidance is needed. Nevertheless, excessive interest in major crops has led growers, at various times and places, to neglect applying intensive cultivation measures to tobacco. In putting the new contract system to work, some places lacked synchronization and failed to link grower responsibility and profit with the productivity, quality, and efficiency of the end product, giving rise to deceptive and slovenly work and an inordinate focus on quantity at the expense of quality. In 1985, Son Tay sold to the Thang Long Cigarette Factory nearly 200 tons of semiprocessed tobacco, which included no Class-1 products, very small quantities of Class-2, but only Class-4 and Class-5. A similar situation affected Ba Vi and Soc Son, two big tobacco growers which sold thousands of tons of tobacco a year. For that reason, the average price of a kilogram of semiprocessed tobacco was usually very low (although the state has adjusted purchasing prices). To be true, districts and installations could well correct that situation if bilateral contracts between the state and peasants had been carried out in a strict and straightforward manner. In fact, imbalanced and unstable planning is causing numerous difficulties to installations and growers.

Second, prior to 1984, the state assigned to Hanoi an annual delivery quota of 1,100 tons of stable-quality raw tobacco while authorizing growers to buy 20 packs of cigarettes at regulated prices for each kilogram of tobacco delivered in excess of the quota. The policy of making tobacco deliveries contingent upon the quantity and quality of invested supplies has helped installatioins devise their own production and business plans and clearly define their own economic goals. For a while, that policy encouraged cooperatives to develop tobacco cultivation rapidly for sale to the state. In fact, for many consecutive years Hanoi has exceeded state norms by 15 to 20 percent. But since 1985, that pattern has collapsed. Although the state has pledged to supply provisions in keeping with tobacco deliveries, the influx not only has failed to keep pace with crop shipments but has also shrunk. In 1985, Hanoi delivered to the state 1,700 tons of raw tobacco in excess of the quota; in return, it received only from 35 to more than 50 percent of the supplies, including coal, chemical fertilizer, and grain.... Nor did it receive bonuses for over-quota sales as well as other kinds of goods which the state has promised to sell to tobacco producers as incentives. Lacking adequate advance supplies to keep production rolling, cooperatives were compelled to divert provisions earmarked for other crops to tobacco. As a result, no localities dared expand tobacco planting. This is not to mention irrational purchasing prices of agricultural products, irrational because prices of supplies have increased 8- to 10-fold. Worse still, deliveries of supplies were erratic, and to get supplies one had to go through "annoying barriers," causing "negative expenditures," transportation delays, and quantitative and qualitative deficiencies. Illustrating these difficulties is the fact that, during last winter's tobacco crop, Ba Vi District was forced to throw away nearly 1,000 tons of fresh tobacco leaves, just because coal for drying was not on hand.

Due to low investment, sluggish production, and the obligation to meet government-imposed norms, installations and producers were not interested in intensive cultivation, leading to reduced output and quality. Since prices have not yet been rationally adjusted, it goes without saying that tobacco often is less profitable than other crops.

Tran Tan, deputy secretary of the Hanoi CPV municipal committee, once asserted: "With its rich and multiform land potential, Hanoi can, within the realm of reality, expand tobacco planting to 5,000-7,000 hectares with an output of 5,000 tons. And with such acreage and output, Hanoi will be able to make a bigger contribution to the central government and provide its own treasury with an additional 10-20 million dong for reinvestment in agriculture without having to request more central assistance."

Hanoi wants its tobacco acreage, productivity, and volume of production not to decrease, but rather to increase two-fold. Success, however, depends not only on the city but also, and mostly, on state investment and pricing policy and the involvement of concerned sectors in creating conditions for assistance.

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SHORTAGE OF ROCK FOR ROAD CONSTRUCTION DISCUSSED

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 18 Apr 86 p 4

[Reporter's Notes column: "Why Is There a Shortage of Rock for Road Construction?"]

[Text] In Ho Chi Minh City, approximately 50,000 cubic meters of rock of various types are needed each year in order to patch, repair and upgrade the small roads and streets in the wards and districts. This does not include the major roads made of asphalt. And it does not include the roads in the expansion plans that have yet been implemented because of the lack of rock. In recent years, the shortage of rock has had a serious effect on maintaining communications. Have things really become that bad?

Today, the municipal communications and transportation sector has only one rock production shop with an output of 15,000 cubic meters per year (which is about 1,200 cubic meters a month). This is not enough to satisfy the essential needs of production (this is just enough to repair a road about 1,000 meters long). Because of the shortage of rock for building roads, communications enterprises No 1, No 2 and others have had to purchase rock from other provinces. Because of the rock shortage, the ward and district communications units have had to patch and repair the roads using red earth. Because of this, while the reports state that road repairs have been completed and that the plans have been fulfilled, after 1 or 2 months of rain, these "earthen" roads are filled with potholes.

The reason why rock is produced in such small quantities is that during the past 10 years, the communications and transportation sector has not invested much money in this. The rock quarrying and crushing equipment frequently breaks down, and the crushed rock does not meet the standards. To date, nothing has been done to improve this situation.

Today, facing the urgent road repair and construction requirements, the communications and transportation sector is trying to solve this problem by carrying on joint operations with neighboring provinces. The Dong Nai communications and transportation sector has asked the municipal communications and transportation sector to participate in quarrying rock at an opencut rock quarry having a very large output. The two sides will invest in purchasing equipment (buckets, shovels, BelAZ trucks, rock crushing machines, and so on) and share the rock that is quarried. This looks good. But several months have passed now, and the other province is still waiting. There is still no sign that the municipal communications and transportation sector has begun to make preparations. From inquiring about this, it seems that the municipal communications and transportation sector is in a quandary just because it doesn't know where to purchase rock grinders. This slowness and lack of activity in investing in building a material base and this way of thinking have had a great effect on work in general.

By raising this problem, we hope that the communications and transportation sector will give greater attention to organizing rear service forces. In particular, we hope that rock production can satisfy the requirements in order to maintain communications.

11943
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NEED TO ATTACH GREATER VALUE TO INTELLIGENCE, CREATIVITY DISCUSSED

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 19 Apr 86 p 3

[Reporter's Notes column by Thu Binh: "The Price of 'Gray Matter'"]

[Text] "Gray matter" is not a common, inexpensive commodity with a fixed price. It is a special product that is accumulated through study and training and actual activities in life.

In recent years, the "gray matter" in our city has been challenged and has reaped many wonderful results. However, it must be admitted that it has not been fully exploited. One of the things that has limited our "gray matter" is that many factories, enterprises, and production cooperatives, including full-time pricing agencies have not given the proper amount of attention to this special product. We can use the suggestion to "change the tube lamp ballast design," as an example. After 6 months of hard work, The shop's electrical specialists succeeded in manufacturing a high-quality type of "tang-pho" that saved a large quantity of raw materials, including electromagnetic wire, silicium sheet metal, varnish, paint, insulation paper, and labor man-days. Thanks to this, in only 6 months, the shop earned 68,000 dong (old currency). The electrical technicians felt very dejected when they received a bonus of only 200 dong for their suggestion. Because that amounted to only 0.3 percent of the value of that suggestion.

Everyone knows that new products are the result of using technical advances. "Gray matter" leaves a deep mark on products. When setting prices, "we" weigh, measure, and count the material factors very carefully: how many grams of polyvinyl chloride, how many kg of steel and rubber, and so on. But what about "gray matter?"

Many researchers who use the technical advances are waiting for a new law that will enable people to "weigh, measure, and count" gray matter scientifically and that will enable those engaged in scientific and technical work to bring about the reproduction and expanded reproduction of gray matter.

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PEOPLE'S RELOCATION IN NEW ECONOMIC ZONES ACCELERATED

Nam Dinh HA NAM NINH in Vietnamese 4 Mar 86 pp 1, 4

[Editorial: "Create a Mass Movement To Go To Build New Economic Zones"]

[Text] Labor redistribution is a strategically important task aimed at rationally using all national resources. Our province has a fairly abundant labor force, nearly 80 percent of which is employed in the agricultural production sector. The natural distribution of labor and land is unequal among various areas in the province. On the other hand, the rate of yearly population increase is too high.

Over the past years, our province has exerted great efforts to redistribute the labor force and to send people to build the new economic zones. This task has yielded important results. In conducting this campaign of strategic significance in the past 25 years, we have organized the transfer of nearly 450,000 people to build the economic zones. Especially during the 10 years since National Reunification Day, in pursuance of the policy of labor redistribution on the national scale, our entire province has sent more than 163,000 people to develop the economy in the northern border provinces, the Central Highlands provinces, and the Mekong delta. The relocated people have left behind nearly 900 hectares of housing land and 11,000 hectares of farmland, thereby contributing to increasing the per-capita land share in the province and to partially raising the per-capita income in the form of grain.

However, these achievements have not yet met the revolution's requirements. In addition to districts where the relocation movement has been conducted rather satisfactorily, there are still some which have failed to create an animated atmosphere and a constant impetus among cadres and the masses. Despite their small land area and their large population with an average share of only about 360 square meters per capita of farmland, some villages have in the past 10 years failed to induce people to go build the new economic zones. Other villages have not yet realized that this is a revolution of great significance from the politico-economic and national defense points of view. A number of localities have inadequately organized the people's departure or failed to create favorable conditions for the newcomers.

Nationwide redistribution of labor is an urgent need. For the next 5 years, from 1986 to 1990, along with the norm set for labor transfers to the new economic zones at the northern border and within our provincial territory, the central authorities have requested our province to move 400,000 people and 180,000 laborers for economic development to the Central Highlands. To fulfill this high norm successfully, we must launch a mass movement to respond enthusiastically to the need to build new economic zones. Right now, we must organize the relocation of 47,500 people by the end of 1986 in order to create favorable conditions for the coming years. Toward this end, it is necessary to organize, stabilize, and streamline the apparatus in charge of transferring laborers and people and to provide a body of cadres qualified to perform this mission. Party committees and the administration at all levels and all sectors and mass organizations must effect a more vigorous ideological shake-up, take specific organizational and guiding measures, and properly carry out propaganda, education, and motivation among cadres, party members, and the masses of people so as to create a seething and continuous movement to build the new economic zones. All districts and installations must assign cadres and party members with organizational and leadership capabilities and moral virtues to join the outgoing people for good or for a fixed period in order to help and guide the latter to settle their lives quickly and perform production immediately. To reduce difficulties likely to be encountered on their arrival at the new lands, the laborers to be relocated must be well qualified and accompanied by a reasonable number of dependents. Following the "joint action by both the state and the people" motto, we must actively raise a fund for the new economic zones in order to acquire an additional source of capital to support the outgoing people and promote capital construction in the new economic zones situated within our own province. Before the large-scale transfer of people to Gia Lai-Kon Tum, Dac Lac, and Lam Dong, adequate and urgent preparations must be made to zone off and expand the lands in these regions to make sure that, on their arrival, the relocated people will quickly settle their lives and start production. It is necessary to strengthen our relationships with sister provinces be developing the spirit of interprovincial, interdistrict, and intervillage brotherhood with the objective of enhancing the sense of responsibility of both the regions, which send off and welcome people so that the latter will have a good impression and peace of mind when going to build new lands.

Every district, village, and citizen throughout the province must attentively promote this important task to ensure that our great mission will be performed well in the next 5 years and right now in 1986 for the benefit of their native lands and the whole country and also in their own interests.

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HA NAM NINH PEOPLE RELOCATED IN GIA LAI-KON TUM

Nam Dinh HA NAM NINH in Vietnamese 28 Feb 86 p 1

[Text] For 5 days from 19 to 23 February 1986, Y Yen and Kim Bang Districts sent off nearly 250 households with 1,100 members including 550 laborers to build new economic zones in Gia Lai-Kon Tum. This was the greatest people's relocation ever effected by Y Yen and Kim Bang Districts.

In Y Yen, the outgoing people came from 19 out of a total of 31 villages in this district. Large numbers of outgoing people came from many villages, such as Yen My and Yen Khan, each of which moved out 20-odd households with more than 100 members including 50 to 60 laborers. Yen Trung Village sent off 19 households, Yen Tri Village 14 households, and Yen Loc Village 14 households. During this relocation stage, 12 party members in Y Yen District joined the people in the transfer to new lands with the determination to carry out successfully the labor and population redistribution policy on a national scale. For Kim Bang District, this was the greatest and most concentrated people's relocation ever. During this first relocation stage, as many as 60 households with 277 members including 130-odd laborers and 7 party members left Dong Hoa--a village with low-lying fifth-month ricefields which have been skillfully and intensively cultivated and have yielded a high output. In Chau Son Village, which borders on Phy Ly City, as many as 40 households with 181 members including 82 laborers and 4 party members also volunteered to go to build new economic zones during the first stage.

In addition to treatment according to the common policy, people from Y Yen and Kim Bang Districts who went to build new economic zones during this stage were also the object of incentive policies and received special material and economic benefits, depending on local possibilities, which resulted in encouraging and motivating all of them to set out enthusiastically with peace of mind.

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2 AUGUST 1986

Southeast Asia Report

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SOUPHANOUVONG GREETS PEACE CONFERENCE IN INDIA

BK080750 Vientiane Domestic Service in Lao 0000 GMT 8 Jul 86

[3 July greetings message from Souphanouvong, president of the LPDR and chairman of the SPC and of the Lao Front for National Construction, to the International Conference for Peace and Security in Asia held in Bangalore, India, from 7 to 9 July]

[Text] This conference is extremely significant since it is being held at a time when the general international situation, especially in Asia and the Pacific, has become very tense and dangerous as a result of the implementation of the neoglobalist policy pursued by the imperialists led by the United States.

Paying no heed to the aspirations of all nations for peace, the United States continues to reject the good intention and reasonable peace proposals advanced by the Soviet Union as well as the proposals of the other socialist countries, the nonaligned countries, and all peace- and justice-loving countries throughout the world, aimed at reducing the arms race and enduring peace and security in the world. They have continued to brazenly carry out the arms race in outer space and nuclear tests and, at the same time, have intensified their acts of aggression and occupation; threatened the independence and sovereignty of many countries; and stoke the flames of war in many regions around the world.

In the Middle East and South Asia, the United States continues to support the expansionist and hegemonist desire of the Zionists who are pursuing a policy of expansionism and aggression against the independence and sovereignty of the Arab countries, thus constantly creating tension in the region. They have directly and indirectly supported the regional and international reactionary forces to wage an undeclared war against Afghanistan and to step up sabotage acts against India.

In the Far East, they have frenziedly supported the formation of the tripartite military alliance among Washington, Tokyo, and Seoul; encouraged Japan to increase its military activities; and tried in every way to drag ASEAN and the PRC to serve their military strategy in this region, use NATO in Western Europe to encircle the Soviet Union and the other socialist countries, to halt the national liberation movements, and to undermine the independent and sovereign countries in the region.

In the wake of this development, we fully support the 23 April 1986 statement of the Soviet Government, which has created favorable conditions for the development and strengthening of cooperation among all countries and has conformed to the epochal trend and the interest and aspirations of the people in this region and all over the world.

We strongly support the efforts made by India to turn the Indian Ocean into a zone of peace and the proposal of South Pacific countries to turn the region into a nuclear-free zone.

The Lao people together with the other people in Asia and the Pacific will make all possible contributions to safeguarding peace and stability in Southeast Asia and the Pacific. Based on this spirit, the LPDR, together with the PRK and the SRV, has expressed its good will and has advanced many proposals aimed at promoting negotiations so as to turn Southeast Asia into a zone of peace, stability, friendship, cooperation.

I firmly believe that with the combined efforts and collective responsibilities of all participants at this conference regardless of the differences in political beliefs, national characteristics, nationalities, and religious faiths, this international conference will enable the direction and program of action for ensuring peace and security in Asia and the Pacific region as well as throughout the world to be translated into reality, thus contributing to the International Year of Peace as proclaimed by the United Nations.

/12766
CSO: 4206/117

KAYSONE PHOMVIHAN GREETS POLISH PARTY CONGRESS

BK011129 Vientiane Domestic Service in Lao 0000 GMT 29 Jun 86

[29 June greetings message from Kaysone Phomvihan, general secretary of LPRP Central Committee, to 10th Congress of Polish United Workers Party]

[Text] Beloved comrades: On behalf of the LPRP, the working class, and the Lao people, I would like to convey warm salutations and affectionate sentiments to the 10th Congress of the noble and glorious Polish United Workers Party [PZPR], and through you, comrade delegates, to the Communists, working class, and heroic people of Poland on this occasion.

Under the leadership of the PZPR with Comrade Wojciech Jaruzelski as head, the Polish people have been freed from the serious political crisis caused by the reactionaries in the country together with the outside imperialist and reactionary powers. The Polish people have overcome various difficulties and obstacles in defending the revolutionary gains and have marched forward firmly in the cause of building socialism.

Following the aforesaid great achievements, the Polish People's Republic has significantly contributed to the enhancement of the cohesion and strength of the socialist community. It has also made a great contribution to the struggle to safeguard peace and security in Europe and the rest of the world.

I am convinced that the 10th PZPR Congress will mark a new step of development in the cause of socialist construction on the heroic land of Poland. On this glorious occasion, I wish the 10th PZPR Congress brilliant success. May the relations of fraternal friendship, militant solidarity, and all-round cooperation between the two parties and two peoples of Laos and Poland be daily developed and strengthened!

/12766
CSO: 4206/117

KAYSONE PHOMVIHAN GREETS JARUZELSKI ON REELECTION

BK080425 Vientiane Domestic Service in Lao 0000 GMT 8 Jul 86

[5 July congratulatory message from Kaysone Phomvihan, general secretary of the LPRP Central Committee, to Wojciech Jaruzelski, first secretary of the Polish United Workers Party (PZPR) Central Committee]

[Text] On the occasion of your reelection as first secretary of the PZPR Central Committee, on behalf of the LPRP Central Committee and the entire Lao Communists and people, I am very elated and would like to extend my sincere congratulations and warm salutations to you. I firmly believe that under the leadership of the PZPR headed by you, comrade, the fraternal Polish people will be able to score yet greater victories in the task of socialist construction.

May the militant solidarity and all-round cooperation between the two parties, governments, and peoples of Laos and Poland be incessantly developed and strengthened on the basis of socialist internationalism.

I wish you, comrade, good health and new greater successes in fulfilling your esteemed duties.

/12766
CSO: 4206/117

SISOMPHON LOVANSAI ADDRESSES WOMEN'S MEETING

BK081523 Vientiane Domestic Service in Lao 0000 GMT 8 Jul 86

[Text] On the morning of 5 July, the Lao Women's Federation closed with success the 10-day enlarged meeting of its Central Committee. Attending the closing ceremony were Sisomphon Lovansai, member of the LPRP Central Committee Political Bureau and vice chairman of the Supreme People's Council and Mrs Phetsamon Lasasimma, member of the party Central Committee and vice chairman of the Lao Women's Federation, together with comrade members of the Secretariat and the Central Committee of the federation and more than 30 cadres concerned.

In the ceremony, Mrs Phetsamon Lasasimma delivered a speech reporting the assessment of the meeting. She said in part: Over the last 10 days, our meeting proceeded in an energetic manner and in a high spirit of responsibility; our basic purpose was to study the 10th resolution of the party Central Committee. Our fraternal women have raised through study the level of their understanding of the party's line and policies in each field. We particularly discussed the assessment of the glorious achievements scored by our party in the cause of defending the country and building socialism over the past 10 years. In the meeting, we also studied and sought means to settle shortcomings to enable the women's federation to achieve new, ever firmer developmental steps in carrying out its activities in the next stage.

Comrade Sisomphon then addressed the meeting, giving guidelines to the women's federation committees to fulfill their work in the next steps. First of all, he praised and hailed the achievements in various fields scored by the federation in carrying out activities throughout the past 6 months to contribute to the victories of our entire party, Army, and people. He then reviewed the main contents of each portion of the 10th resolution which the fraternal women have just studied in order to help them further grasp its contents even more firmly. In conclusion, he gave certain views for the fraternal women to study and use as a guideline to settle problems in carrying out their activities. He stressed views on the problem of the consolidation of the organizational system of the women's federation in particular. He also instructed the fraternal women to pay attention to improving the working procedures of federation committees at each level as well as to improving the federation's relations with other mass organizations.

/12766
CSO: 4206/117

BRIEFS

MINISTRIES NAME CHANGES--With reference to Decree No 128 dated 28 June 1986 issued by the chairman of the Council of Ministers, the entire Forestry Service has been transferred from the Ministry of Industry and Handicraft to the Ministry of Agriculture, Forestry, Irrigation, and Agricultural Cooperatives. The entire Forestry Service is composed of the Forestry Section, the timber processing factory, the Forest Settlement Section, and the small-size hydroelectric section with production capacity of less than 1,000 kilowatts related to irrigation work. In compliance with Decree No 08/SPS/86 issued by the SPC Standing Committee on 26 June 1986, the names of the two ministries concerned have been changed as follows: The Ministry of Industry, Handicraft, and Forestry to the Ministry of Industry and Handicraft and the Ministry of Agriculture, Irrigation, and Agricultural Cooperatives to the Ministry of Agriculture, Forestry, Irrigation, and Agricultural Cooperatives. The change of names is effective 1 July 1986. [Text] [Vientiane Domestic Service in Lao 0000 GMT 3 Jul 86 BK]/12766

CSO: 4206/117

PAPER CONTENDS BASES COMMITMENT 'PREMATURE'

HK080437 Manila THE MANILA CHRONICLE in English 7 Jul 86 p 4

[Editorial: "Commitment on Bases Premature"]

[Text] The United States military bases here have emerged as one of the most contentious issues at the Constitutional Commission. They provide violent demonstrations and heated debate in public forums.

From these indications, the bases are likely to excite the Filipino into a higher levels of controversy until 1991 when a decision will be made on what to do with them. Even the present level of reaction to the issue tells us already that it may be a bit too premature for any one--including our leaders--to make any commitment that the bases should stay after 1991 because they guarantee our national security from external aggression.

The notion that bases guarantee security from aggression is arguable. If one really thinks hard, external security requires redefinition of the conventional concept that aggression means the invasion of another nation's territory. The nuclear dimension of warfare has made this definition narrow and obsolete.

External security may now be broadened to mean that a sovereign nation has an obligation to remove itself from the focus of nuclear attack which could annihilate its population. No foreign invasion is required to devastate a nation--only a finger at the nuclear pushbutton. In this sense the presence of the bases here--which most possibly harbor nuclear weapons on account of their regional strategic importance to the U.S.--is a guarantee that the host country is obliterated from the map even before a single invading soldier arrives.

Another argument is that there are dozens of small or medium-sized nations who have maintained their territorial independence without foreign bases.

No Filipino politician can be sure what the mood of the nation over the bases will be 5 years from today. The mood will be determined by the people's perception of what is good for them. At present, a significant section of the population believes the bases do not serve the security interests of the nation. They believe the bases serve U.S. strategic interests, more than the

Philippines; and at the same time put the nation at risk of nuclear attacks. This belief is likely to grow.

Any person aspiring for national leadership cannot truly give an assurance to the U.S. that the bases should remain because they are in the best interests of the people. Such an assurance is too speculative.

If by 1991 most of the people shall have indicated that they do not want the bases, no leadership can ram the bases down their throats without incurring popular hostility. Leaders cannot go against the tide of public opinion in their countries. The retention of the bases in the midst of a hostile population makes their security untenable.

It may serve the U.S. interests also if it keeps its options open until 1991. Events could easily change the national mood and perception. They could render any commitment to retaining the bases absolutely useless.

Anyone who makes a firm commitment on the bases for cheap political gains may not necessarily America's best friend.

/8918
CSO: 4200/1207

EMPLOYEES ASSOCIATION DISPUTES BASE WORKERS SACKINGS

HK100126 Manila THE MANILA CHRONICLE in English 9 Jul 86 p 3

[By staff member Romina de los Reyes]

[Text] The United States Government dismissed 42 Filipino workers at the Subic Naval Base recently for "manipulating labor-management relations to achieve ide logical aims" but decided not to substantiate the charge.

In a charge sheet taken up during a Philippine-U.S. joint labor committee meeting yesterday, the U.S. panel said the dismissed Filipino workers' primary goal was to dismantle U.S. military facilities in the Philippines.

Responding to the U.S. charge, the Federation of Filipino Civilian Employees Associations (FFCEA) said Filipino workers are "perfectly entitled to their views on the question of whether the continued presence in the Philippines of the U.S. bases is to the best interest of the people and government."

"Mere advocacy for the dismantling plus removal of the U.S. bases in the Philippines" did not necessarily mean the advocates are communists, as the U.S. panel had insinuated, FFCEA President Roberto Flores said.

The FFCEA demanded substantiation of the U.S. charges and that the dismissed workers be given due process as provided for in the collective bargaining agreement.

The U.S. panel decided not to provide substantiation and instead stood by what it had said. The panel said the dismissed employees did not seek to improve relations with their employers and wanted the destruction of those relations.

The U.S. officials insisted that the 42 workers were dismissed for "acts inconsistent with employment" at Subic Bay naval base and not for their strike activities or advocacy of union-oriented ideas.

Some workers at Subic and Clark bases struck for 12 days last March to demand a package of new economic benefits. Workers barricaded the gates, preventing even American personnel from leaving or entering.

The U.S. panel said a task force of lawyers studied each of the 42 cases before terminating them. It said the "debriefing" statements of some 2,500 U.S. personnel caught outside the bases during the strike were also evaluated, along with photographs, classified reports and recent histories to distinguish those who were "ideologically committed" to undermine their employers from those who merely disagreed with the policy of their employers.

The U.S. report, however, did not cite specific statements of the U.S. personnel "debriefed."

/8918
CSO: 4200/1207

EDITORIAL ON ARGUMENTS FOR DISMANTLING U.S. BASES

HK081007 Manila THE NEWS HERALD in English 6 Jul 86 p 4

["Editorial": "Neutrality Never Saved Anyone"]

[Text] Those who advocate the dismantling of the U.S. bases in the Philippines for the "practical" reason of neutrality are being impractical.

They see the bases as a magnet for aggression--no less than a nuclear attack--from the adversary of the United States, or some other superpower.

They forget that not all the protestations of neutrality saved certain countries from being overrun by the Axis powers in the Second World War. The sad fact of life in this world is, might may not always be right but it gets its way.

In a global war, neutrality quickly becomes untenable, is arbitrarily crushed by the hobnailedboots of an invading army. Neither the presence nor the absence of foreign bases in a small country can keep it out of a worldwide holocaust. Even if imperialists were a respecter of neutrality, the nature and extent of the next world war would not take into consideration any nation's nationalistic choice or policy.

If we are to throw out the U.S. bases, let it not be for the flimsy excuse of neutrality. Let us do it because we want self-respect as a soverign nation.

For sure, keeping our territory free of a foreign power's military presence will not save us from external aggression. But we can be proud as a free and independent people.

On the other hand, if we choose to let the Americans keep their bases here, since that would be being practical let us go all the way and insist on getting bigger rent for the use of pieces of our sovereign territory.

/8918
CSO: 4200/1207

AQUINO TO FLOAT BONDS ISSUE DURING U.S. VISIT

HK080955 Manila MANILA BULLETIN in English 5 Jul 86 pp 1, 9

[By Ding Marcelo]

[Text] The floating of "Cory Bonds" in the United States to raise money for the country's economic recovery program is being considered by the government as one of President Aquino's objectives when she visits the U.S. in September.

Bonds are interest-bearing government certificates of indebtedness which earn interest and are redeemable at a fixed date.

In related developments:

1. The president has granted tax amnesties on income and real estate taxes for delinquent taxpayers.

2. Filipinos who have stashed dollars abroad can bring them back without question by paying a 10 percent tax on the amount, unless they are ill-gotten wealth being sought by the Presidential Commission on Good Government (PCGG).

Malacanang said the floating of bonds was resorted to by Korea and India just after the war and similar to the Liberty bonds which raised money for America's war efforts during World War II.

President Aquino said she would also appeal to leading American industrialists and to Filipino-American groups to invest in the Philippines.

During the visit, the president said she would reiterate her appeal to the country's creditor banks for liberal terms in the payment of interest on the Philippines $26 billion foreign debt.

She is also scheduled to sound out U.S. officials for a possible increase in the country's sugar quota and for a bigger share of the market for other exports, particularly garments.

She said the floating of bonds could be a novel way of getting Americans to support the new government here.

"If it is true, as people tell me, that I still enjoy popularity there, perhaps this is the time to reach out and interest these people," she said.

Mrs Aquino is expected to meet with President Reagan on whose invitation she is going to the United States. She has also been invited to address a joint session of the U.S. Congress by House of Representatives Speaker Tip O'Neill. From Washington, D.C., the president will also visit a few American cities, including Boston, where she and her late husband, Benigno Aquino Jr., stayed in exile for nearly 3 years.

Information Minister Teodoro Locsin Jr. said the president's visit may take 5 days but an extension is being considered.

He also described the forthcoming U.S. trip as a "working official visit" for the president.

Mrs Aquino announced the "administrative tax measures" designed to raise government revenue's during a recent television program. She was assisted during the program by Finance Minister Jaime Ongpin and Bureau of Internal Revenue [BIR] commissioner Bienvenido Tan.

The tax amnesties were designed for people who, for various reasons in the past, either refused to pay the correct amount or evaded paying their taxes. The income tax amnesty would cover income earned from 1981 to 1985, the taxpayers to pay 10 percent on the difference between his net worth on December 31, 1981 and that of December 31, 1985.

The real estate tax amnesty would cover all delinquencies in the past, the taxpayers to pay 50 percent of the total arrears. Realestate taxes are collected by the municipalities, while income taxes are collected by the BIR.

Payment of the correct amnesty taxes would clear the delinquent taxpayer and free him from further investigation by the BIR on the period covered by the amnesty.

According to Minister Ongpin, the government hopes to raise P2 billion this year on the two tax amnesties.

The Cabinet approved the tax amnesty on dollar hoardings abroad upon the request of a certain group which had shown interest in buying one of the five commercial banks acquired recently by the government, Ongpin said.

Dollar holders can actually remit their currency through the so-called 343 account or dollar account, without paying any amnesty tax.

Ongpin said some P6 billion would be raised by the government from the repatriated dollar tax.

Commissioner Tan said the amnesty tax on income can be paid in two installments if over P50,000 and in three installments if over P500,000. Mrs Aquino had also authorized the BIR to compromise on pending collection cases at 30 percent of the assessment estimated at P9 billion, including penalties. This will net the government some P3 billion.

/8918
CSO: 4200/1207

DECISION ON AQUINO TERM OF OFFICE DEFERRED

HK050204 Quezon City BUSINESS DAY in English 4 Jul 86 p 12

[Text] The committee on the executive of the Constitutional Commission [Con-Com] deferred final decision on the term of office of President Corazon C. Aquino and Vice-President Salvador Laurel.

On the legislature, the committee on legislative approved to endorse the adoption in the new charter of a unicameral law-making body, (single body) to be known as the National Assembly, composed of not more than 200 to 250 members, including sectoral representatives.

The members of the National Assembly will be elected by districts every second Monday of May and will have a term of 4 years. The term will start on June 30.

The committee on the executive chaired by Commissioner Lorenzo Sumubmng said the tenure of the Aquino government will be decided by the whole Con-Com.

The Sumulong committee agreed that it will not specify the date of the start or termination of the Aquino and Laurel tenure of office. That will be left to the whole body to decide during the plenary session.

The committee's decision may lead to the possibility that Aquino-Laurel term of office may be reduced from 6 years to 4 years, sources said.

Several proposals were filed with the Con-Com providing that Aquino-Laurel tenure of office by separate question and voted upon by the people as a "tack on" issue during the ratification of the new constitution.

The decision to leave the tenure of office to the whole Con-Com will certainly lead to "intense lobbying from various pressure groups," a committee member who requested anonymity said.

The committee on legislative chaired by Hilario Davide, Jr. also agreed to peg the new legislative members to 250 to be elected by districts.

The term of office will be for 4 years without limit for reelection. The Davide Committee decided to restore the Commission on Appointment which confirms appointment made by the president.

The Commission on Appointment shall have 24 members appointed on the basis of political party or sector representatives in the legislature.

/8918
CSO: 4200/1207

SURVEY RESULTS SHOW SUPPORT FOR AQUINO

HK031102 Manila THE MANILA CHRONICLE in English 2 Jul 86 pp 1, 2

[By staff member Vet Vitug]

[Text] The majority of Filipinos favor the major and controversial steps President Aquino has taken since she assumed power in February.

With her at [the] helm, many people believe that their quality of life will improve in the next 3 years.

Many also believe that the Aquino government cannot be influenced by communists or radicals, although half of these worry that the present administration might be overly dominated by the military.

People have a generally low regard for Ferdinand Marcos.

These sentiments emerged in a nationwide survey conducted in May this year by a group from the Ateneo de Manila University and the Social Weather Stations, Inc.

The survey, financed by Ford Foundation, employed a random sampling of 2,000 Filipinos, of voting age, residing in Metro Manila and the rural and urban areas of Luzon, Visayas and Mindanao. Among those who designed and supervised the survey, were Mahar Mangahas and Felipe Miranda, members of the group which undertook the April 1984 and June 1985 surveys of the Bishop-Businessmen's Conference for Human Development.

Mangahas and Miranda appeared before the members of the Constitutional Commission yesterday and discussed the survey results.

Miranda, a political science professor at the University of the Philippines [UP] said the survey results show "a clear mandate for the Aquino government with a tinge of critical appraisal as reflected in the overwhelming belief (87 percent) that the Constitution writers should have been elected."

Of those surveyed, 60 percent expressed satisfaction with the performance of the Aquino government, while a meager 7 percent expressed dissatisfaction. The remaining 33 percent were noncommittal.

The majority favored the confiscation of Marcos' hidden wealth and the freezing of assets of the former ruler's cronies.

Many also favored the abolition of the Matzsan (49 percent against 14); forced resignation of Comelec [Commission on Elections] commissioners (46 percent against 27 percent); replacement of mayors and governors with OICS [officers charge] (43 percent against 31 percent) and forced resignation of Supreme Court Justices (42 percent against 31 percent).

Opinion was divided on the release of top leaders of the Communist Party. The majority of respondents approved of the present Cabinet members.

Miranda said the responses indicated that there was a growing number of Filipinos who believed that peaceful change was still possible.

"This is a stark contrast to the prevailing sentiment 3 years ago where many subscribed that only violence will change the country," Miranda said.

Some 65 percent dismissed the possibility of increased people's support for the communists. Only 25 percent believed it was possible.

Miranda said the people's trust in the New People's Army is diminishing although support for the rebel group has actually increased by 2 percent. He quickly added, however, that the "NPAS Do not pose any danger to the Republic as they did 3 years ago."

The UP professor continued that the people, in answering question about the communists, have become more outspoken and articulate.

The perceived atmosphere of free speech prompted respondents to assess the military with candor and critical appraisal.

A good 55 percent believe the Armed Forces will be "loyal and obedient to the Aquino government" with only 12 percent dissenting.

Another 58 percent believe the military has greatly improved in the last 3 months, with 19 percent believing the contrary. In spite of this, the majority wants the military budget slashed.

There is a perceptible fear that high military officials might think of wresting power away from the government.

Miranda, believed to be one of the few military experts in the academe, said the military will think twice before seizing power although it currently enjoys the "highest degree of support it ever had in the past 20 years."

Miranda argued that no military man can contemplate to coup without taking into account the impact of the February revolution. He pointed out that the "people power" unleashed in the February revolt was not a phenomenon limited to Metro Manila. "I have found out that the degree is more intense in several rural areas," Miranda said.

How They Rate Cory

	Approval (percent)	Disapproval (percent)
Abolition of the Batasan	49	28
Forced resignation of comelec commissioners	46	27
Replacement of majors and governors with OIC's	43	31
Forced resignation of Supreme Court Justices	42	31
Confiscation of Marcos' hidden wealth	64	14
Freezing of Marcos-crony properties	55	20
Release of detained top leaders of the Communist Party	37	34

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CSO: 4200/1207

THOUSANDS CHEER AQUINO IN MINDANAO

HK060438 Hong Kong AFP in English 0436 GMT 6 Jul 86

[Text] Cagayan de Oro, Philippines, July 6 (AFP)--Tens of thousands of cheering residents welcomed President Corazon Aquino here Sunday as she began an overnight visit to one of the country's most troubled regions.

Military officials said the army and police had been on full alert since Friday and 2,000 troops, only a third of them in uniform, were deployed around this port city to provide security for the visit.

The hinterland around Cagayan de Oro on the north coast of Mindanao island has seen blood clashes in the last few years between guerrillas of the communist New People's Army (NPA) and soldiers and paramilitary groups armed by the military.

Crowds lined the streets and some 20,000 people packed into an open-air stadium to hear Mrs Aquino say she had come to the southern island 750 kilometers (446 miles) from Manila as part of a pledge to decentralize the government.

"I shall return to Mindanao so often that you will probably tire of me," she told the crowd.

Accompanied by armed forces Chief General Fidel Ramos and several cabinet ministers, Mrs Aquino received a 21-gun salute after arriving at the stadium by helicopter from a suburban airport.

There was no hint of trouble in the streets where confetti rained down from buildings as Mrs Aquino rode from the stadium to the nearby Roman Catholic Xavier University, where she received an honorary doctorate.

Some 200 leftist demonstrators expressed support for Mrs Aquino's efforts to reach a ceasefire with insurgents but demanded the removal of two strategic U.S. military bases located near Manila.

"Support Cory's call for a ceasefire," one placard read.

The demonstrators urged Mrs Aquino to dismantle the notorious civilian home defense forces (CHDF), a paramilitary anti-communist force set up by her predecessor Ferdinand Marcos.

A bloody purge within the NPA, the 16,000-strong military force of the banned Communist Party of the Philippines (CPP), had also occurred in this region. The military last month unearthed mass graves containing the remains of dozens of suspected government spies executed by local NPA commanders.

Mrs Aquino's visit here was her second "consultation" trip outside of Manila since she assumed the presidency. Her first such trip took her to Davao City in southeastern Mindanao and Cebu City in the central Philippines.

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CSO: 4200/1207

AQUINO DECLARES STATE OF CALAMITY AFTER TYPHOON

HK110911 Hong Kong AFP in English 0905 GMT 11 Jul 86

[Text] Manila, July 11 (AFP)--President Corazon Aquino Friday declared a state of calamity in areas devastated by Typhoon Peggy, which reportedly left up to 71 people dead.

"I have declared a state of calamity in the provinces affected by Typhoon Gading (Peggy)," Mrs Aquino told reporters as she visited Santo Domingo Church in nearby Quezon City to which hundreds of families were evacuated.

"The damage to property has been extensive and the loss of lives has made this calamity a tragedy as well," she added.

The MANILA BULLETIN newspaper said 71 people were killed and 16 missing in the wake of Peggy, which slammed across northern Philippines Wednesday. Disaster agencies put the official death toll at 54 but said their figures may rise further.

The cyclone triggered widespread flooding and landslides across the main island of Luzon. The National Disaster Coordinating Center (NDCC) said 116,185 families were displaced, and put partial damage estimates at 31 million pesos ($1.5 million).

Mrs Aquino said she had ordered the release of 10 million pesos ($500,000) for the affected provinces, but did not specify. A state of calamity qualifies an area to get first priority in relief and rehabilitation.

The NBCC said the casualties came from the provinces of Benguet, Pangasinan, Ilocos Sur, Bulacan, Bataan, La Union, Metropolitan Manila, and Baguio City.

Mrs Aquino said an additional one million pesos ($50,000) had been allotted for the capital and its suburbs, which suffered extensive flooding.

The president also appealed to the private sector "to again come forward and help our unfortunate brothers."

In the northern mountain resort of Baguio, engineers and earthmovers were working overtime Friday to clear major arteries of landslides which cut off the city from the rest of the country except by air, officials said.

Thirty-one people were buried alive by landslides or drowned in swollen creeks and rivers and four others were missing in Baguio and nearby Benguet, the Baguio City Disaster Council said.

Officials feared the number would rise as no reports had been received from the three nearby provinces of the Cordillera mountain region--Kalinga-Apayao, Ifugao, and Mountain Province--due to closed roads and wrecked communication facilities.

The council put the damage to crops and infrastructure in the Baguio-Benquet area at 50 million pesos ($2.5 million), higher than the NDCC's national estimate. The area was left without electricity.

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MORO FACTION ASKS 'BUTZ' AQUINO TO BE NEGOTIATOR

HK010551 Manila PHILIPPINE DAILY INQUIRER in English 29 Jun 86 p 28

[By Roy S. de Guzman]

[Text] The main faction of the Moro National Liberation Front (MNLF), led by its chairman-in-exile Nur Misuari, wants Agapito "Butz" Aquino as official government emissary empowered to negotiate with the leaders of the secessionist movement in the South.

This was the message imparted to the INQUIRER by Hadji Limpasan Idjirani, chairman of the Muslim Democratic Party [MDP], a legal political party known to have close connectinns with the Misuari-controlled MNLF.

In a letter mailed to the INQUIRER, the Muslim leader said Agapito, the president's brother-in-law, is acceptable to the MNLF to act as "an emissary for peace of the new government."

He said Aquino's recognition of the MNLF and of Misuari's leadership has made the 47-year old businessman the government's "best bet" to handle the peace negotiations with the separatist leaders.

"Butz Aquino is in the right path in pursuit of his peace mission effort for the Aquino government insofar as the MNLF issue is concerned," said the MDP chairman in his letter.

Aquino, younger brother of the President's slain husband, has met with Misuari early this year. The meeting, which took palce while Mr Marcos was still in power, generated controversy and alienated Aquino from the other factions of the MNLF who do not recognize Misuari's leadership.

Idjirani dismissed published reports that some segments in the MNLF have rejected Aquino's designation as emissary. He asked, "But which faction of the MNLF?" The Muslim leader said MNLF in this case may stand for "Marcos National Liberation Front," as he explained that the deposed president used crude tactics in the past to discredit the genuine fighters for Moro independence and liberation.

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CSO: 4200/1207

BALWEG FAVORS LEGAL STRUGGLE IN CORDILLERA REGION

HK021547 Quezon City BUSINESS DAY in English 2 Jul 86 p 22

[By Carmel M. Pizarro]

[Text] Baguio City--Renegade priest, Fr Conrado Balweg, who defected from the New People's Army to form his own group, Cordillera People's Liberation Army (CPLA), is opting for a legal or open struggle since the time calls for it.

Balweg revealed this in an interview by Baboo Mondonedo of Cordillera News Agency last June 22 somewhere in the Cordillera Ranges. Balweg said, "While armed struggle is effective, there are times when other forms should be adopted. This is one time for legal struggle...open struggle...."

Balweg claimed that the CPLA is waging a 'revolution' not just for Filipinos' struggle but the struggle of people throughout the world.

"We would like to put this across to the American people that we would like to reach out to them in our common effort, for the establishment of a society wherein there is no more war or oppression. We are supposed to be one family, people with one thrust pushing for unity throughout the world, for the elimination of oppression of man over man," Balweg said.

Balweg asked the people to assess the situation. "What was gained during the time of Marcos by the anti-imperialist movement, should be regained. They should not concentrate on the revolutionary forces as the problem. It is very clear that during the time of Marcos, the revolutionary forces were the ones who took the vanguard of the struggle," he said.

For Balweg, the issue is still nationalism.

"Before any democratic struggle could succeed, it is imperative that we must be united. We must really be one before we can solve our problem internally," he said, asking "how can we solve the problem if we are not a truly independent nation?"

In waging a 'revolution,' Balweg said the CPLA is pushing for a federal state for the Cordilleras.

"I think the correct approach would be to freely accept the self-determination of the Cordillera national minorities," he said.

"Secession is not the political consciousness of the people. Federalism is more realistic; it is there already working," Balweg said.

"You have to define the territory and sovereignty...and assess the political forces within society before tacking the internal problem. That is why we are emphatic in pushing for a federal state because that would define what we are and from this, we can have a framework on how we can solve the country's internal problem," he explained.

Balweg criticized both the New People's Army and the New Armed Forces of the Philippines [NAFP].

"A national army is one which is not being controlled and mandated by another nation," Balweg said. By this definition, Balweg doubted whether the NAFP can be considered a national army, because the NAFP "at present still depends on the interest of the United States."

"As far as nationalism is concerned, the NPA is a national army, particularly from the point of view of ideology," he said.

"But on the aspect of its (NPA's) mission, it is supposed to serve the anti-feudal democratic struggle, and that relationship to the Cordilleras has yet to be resolved," Balweg added, declining to disclose details.

"There is a difference in how the CPLA views the NPA and the NAFP. With the NAFP, there is the issue of U.S. imperialism. With the NPA, it is a problem of the democratic struggle," he said.

Balweg recognized CPLA's problem on both sides. "This problem can be resolved if the NAFP would recognize the just demands of the Cordillera people on the aspect of nationalism, and if the CPP-NPA would also recognize the just demands of the Cordillera people on the aspect of democracy," he said.

Balweg indicated that the CPLA was encouraged to explore peace talks because of the openmindedness of the Aquino government.

"President Corazon C. Aquino made a statement that she is open with regards to the (U.S.) bases and that she is subject to the decision of the people," he said. Because of her attitude, "we are open; she has not closed the issue," Balweg said.

Balweg considered the first round of peace talks with the Aquino government through Agapito "Butz" Aquino, brother-in-law of the president, "successful."

"I think the reason it was more successful than expected was the strong support and participation of the Cordillera people. It was the people who spoke during the negotiations of the Cordillera problem. And Butz even if he was just representing the president, made a personal commitment, and that is very important," Balweg said.

Unlike other rebels, Balweg's CPLA is ready to renounce arms struggle.

"At this stage, we should push forward the political issue. If there is unity in viewing the problem then we can once again advance," he said.

"While armed struggle is effective, there are times when other forms should be adopted. This is one time for legal struggle...open struggle," Balweg said.

Balweg said he does not regard the lifting of the P200,000 reward for his head a big deal.

"Even when there was a tag on me, really there was no difference," he said. "I was never insecure with that P200,000 tag."

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'RENEGADE' PRIEST MAY MEET WITH PRESIDENT

BK030441 Manila PNA in English 0413 GMT 3 Jul 86

[Text] Manila, July 3 (PNA)--Agapito Butch Aquino, brother-in-law of President Aquino and her authorized emissary to conduct peace talks with rebels headed by Fr. Conrado Balweg, has expressed optimism that the renegade priest will meet the prisident personally and try to resolve the rebel problem.

Aquino, who met with Fr. Balweg June 15 and 16 somewhere in the Cordillera mountains, said in an interview he found the rebel-priest very sincere and helpful to his people in the mountain province, Benguet, Abra, Kaling-Apayao and Ifugao provinces.

Aquino said he is expected to go back to the mountains before the end of this month to meet again with Balweg and his armed followers, numbering about 800 to 2,000.

Balweg's group recently broke away from the NPA and formed the Cordillera People's Liberation Army.

According to Aquino, he will bring along with him water tanks to store drinking water from a natural spring somewhere in Sadanga near Bontoc, Mountain Province.

The tanks were requested by Balweg for the water needs of the people in the community. He also said he will be accompanied by some engineers to look into the other needs of the people in the Cordilleras.

Aquino also said, he is in favor of the government's granting of the rebels' demands which are reasonable.

Such demands he explained, include recognition of their historical birth right, abolition of presidential decrees issued by former President Marcos regarding their ancestral lands, and the clearing of the natural world of the Cordilleras in the search for minerals.

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CSO: 4200/1207

CON-COM PRESIDENT CONFIDENT ON COMPLETION DATE

HK101524 Quezon City BUSINESS DAY in English 10 Jul 86 p 26

[By reporter Tara S. Singh]

[Text] Constitutional Commission [Con-Com] President Cecilia Munoz-Palma yesterday said the expects the framing of the new constitution to be finished as scheduled. Proclamation No 9 sets Spetember 2 as the Con-Com's deadline.

Palma said the [word indistinct] bill speed up its works by starting its plenary session on 9 A.M. to last up to the evening by July 14. Palma said all the committee reports should have been approved on second or third reading by August 9.

These committee reports will then be submitted to the committee on style for final polishing and they will have to finish by August 25. From August 25 to 30 formal voting by the entire Constitutional Commission will be made on all the provisions of the new constitution.

Meanwhile, Con-Com opposition leader Blas F. Ople filed Resolution No 457 making explicit in the new constitution the right to revolt against a tyrannical regime.

Ople filed the resolution in the wake of the 2-day revolt of the loyalists led by former foreign minister Arturo Tolentino.

Ople said the right to revolt can be a useful reminder to governments that sovereign power rests in the people themselves. Ople said the revolt against tyranny is tacit in all democratic constitutions because tyranny begins where the Constitution is unilaterally violated and ultimately disregarded.

The powers delegated to the government are then repossessed by the people through the exercise of the right to revolt. To exercise people's power in order to dislodge a tyranny and install a democratic government in its place should be incorporated in the new Constitution.

The Con-Com in a marathon session approved last night the methods of how to amend the Constitution.

The Con-Com approved a new feature in amending a new Constitution by providing "initiative" for the people to propose amendments themselves.

The other modes of amending the Constitution are convening the legislature as a constituent Constitutional body to amend the Constitution and calling a Constitutional convention.

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CON-COM APPROVES PEOPLES' RIGHT TO AMEND CONSTITUTION

HK110852 Manila MANILA BULLETIN in English 10 Jul 86 pp 1, 10

[By Rod L. Villa, Jr.]

[Text] The Constitutional Commission [Con-Com] approved last night the entire article on amendments, embodying an innovative provision empowering the people, for the first time, to directly change the constitution.

On a unanimous vote of 29 to 0, the Con-Com members vested the people with authority to amend the charter by the signatures of at least 12 percent approval of the electorate.

The article, formulated by the committee on amendments and transitory provisions headed by Jose Suarez Jr., also adopted two other modes of revision of the charter.

These are by the National Assembly on a three-fourths vote or by a Constitutional Convention on a two-thirds vote.

In all cases, the approved amendments are to be ratified by simple majority in a plebiscite.

Suarez declared the article enshrines "people power in the fundamental law" while Blas F. Ople, leading the opposition bloc, said the new mode "comes at a right moment in history."

The Con-Com left it to the National Assembly to prescribe the manner of implementing the people's "initiative."

But Commissioner Rene Sarmiento cited American tradition calling for the signatures of at least 12 percent of registered voters to revise provisions of the constitution.

Meanwhile, the right to revolt against tyranny as a tacit power of the people in a democratic society was proposed yesterday by the four-man opposition bloc.

The minority group declared that an article constitutionalizing this power would serve as a "useful reminder to governments that the final reserve of sovereign authority rests in the people themselves."

Con-Com President Cecilia Munoz Palma assigned the proposal embodied in Resolution 457 to the committee on general provisions under Florangel Rosario Braid.

Palma called on the 15 working committees to submit all pending resolutions not later than July 15 to enable the Con-Com to finish its task within the 90-day timeframe ending September 2.

In a noon day caucus, Palma convened the 15 committee chairmen and their vice chairmen. They agreed that the remaining resolutions be treated as amendments with full plenary debate to start daily beginning Monday.

Palma assured that the Con-Com would formulate a new constitution that is "pro-people, pro-Filipino, and pro-God" in a conference with Con-Com mediamen.

She expressed strong hope the new Constitution would be finished on schedule for immediate submittal to President Aquino.

"It is gratifying to see that all the members are working overtime on the new fundamental law as we share the expectations for its overwhelming ratification by the people," Palma said.

Jose Bengzon Jr., chairman of the Steering Committee, said more than 500 resolutions have been submitted.

Con-Com members considered it "unexpected and significant that the minority bloc, all of whom had served during the Marcos martial law regime, authored the resolution constitutionalizing the right of the people to topple future oppressive governments."

Aside from Ople, Teodulo Natividad, former National Police Commission chairman, and deputy defense minister, former MP's Rustico de los Reyes and Regalado Maambong authored the resolution.

In their resolution, they said tyranny begins where the constitution is systematically violated and ultimated disregarded by a tyrant.

"The tyrant then breaks a sacred covenant between the people and his government at which point, the sovereign power delegated by the people through a Constitution must be seen as reverting to its source," the resolution said.

"The powers delegated to a government are then repossessed by the people who exercise people power to dislodge a tyranny and install a democratic government in its place," the group said.

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CSO: 4200/1207

CON-COM DECIDES ON CITIZENSHIP, PARTY SYSTEM, VOTING

HK100600 Manila MANILA BULLETIN in English 9 Jul 86 pp 1, 5

[By Rod L. Villa Jr.]

[Text] An article declaring as "natural-born citizens" all persons born of Filipino mothers before January 17, 1973, when that constitution was ratified was approved yesterday by the Constitutional Commission (Con-Com).

By a vote of 35 to 3, the Con-Com passed the article on citizenship which also condemns "dual allegiance" as "inimical to national interest" and subject to legislative penalties.

Proponents of the article, formulated by the citizenship committee headed by Jose Laurel Jr. said its ratification in the movement plebiscite would affect thousands of persons, mostly those of Chinese and American fatherhood.

Other developments:

1. The Con-Com committee headed by Vicente Foz decided to scrap the two-party system embodied in the 1973 Constitution and adopted in its place a multi-party system.

The group also approved provisions allowing overseas Filipinos as well as illiterate citizens to vote, and divesting the Commission on Elections (Comelec) of its jurisdiction over electoral protests involving the legislature.

2. The Con-Com devotes the rest of its time to plenary debates starting 2:30 P.M. today an nearly all of the 14 working committees have submitted their respective reports on various constitutional articles.

3. The right of the people to initiate amendments independently of the government through the power of "initiative" set off heated debates on the Con-Com floor last night with Blas F. Ople asserting the "ultimate power of the people to change their own charter" especially under conditions demanding such revision.

Whereas under the 1973 constitution, "mestizons" and other "half breeds" of Filipino maternity have had to make a choice of electing their citizenship upon reaching legal age. They would automatically be considered "natural born" citizens.

Specifically, the members said, the new provision would erase all doubts on the citizenship of all those in that predicament, citing the case of Chief Justice Claudio Teehankee.

Con-Com flook leader Napoleon G. Rama and Jose Bengzon Jr. said the new provision removes all bars disqualifying these persons from running for public office, including the presidency, and nomination to the Supreme Court.

The provision erases the distinction of these persons from "natural born" citizens who are described in previous constitutions as "these who are citizens of the Philippines from birth" without having to perform any act to acquire or perfect their Philippine citizenship.

Fr. Joaquin Bernas who presided over committee hearings led those who championed the amendment to the article.

Blas F. Ople, leading the group that won condemnation of "dual allegiance," said the declaration addresses itself mainly to members of the Filipino-Chinese community.

He said continuing disenchantment with liberalized naturalization law under the Marcos regime arises from the belief that considerable numbers of this sector maintain a "double allegiance" either to the Republic of China or Taiwan or the People's Republic of China on the mainland.

Retired Chief Justice Roberto Concepcion, Educatopr Wilfrido Villacorta, Hilario Davide Jr., Rustico de los Reyes Jr., Regalado Maambong, and Ricardo Romulo argued in favor of Ople.

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CSO: 4200/1207

CON-COM ENDORSES SWEEPING LAND REFORM PROGRAM

HK100138 Manila PHILIPPINE DAILY INQUIRER in English 8 Jul 86 pp 1, 22

[By M. Ronquillo]

[Text] The Constitutional Commission's [Con-Com] subcommittee on land reform yesterday endorsed a sweeping land reform program which the proponents hope would revolutionize the government's agrarian policy.

At the same time, the Con-Com approved on second reading an amended article on the national territory which was interpreted by the minority as a virtual renunciation of the country's claim to Sabah.

Jaime Tadeo, chairman of the subcommittee on land reform--one of seven subcommittees under the Committee on Social Justice--told the INQUIRER that the measure would place all agricultural lands with landowner-tenant relationship under land reform.

"All crops are included in this proposal," said Tadeo, who also expressed the hope that the measure will be approved by the committee on social justice today.

The subcommittee's endorsement of a sweeping land reform program comes amid a growing consensus in government to implement just that.

Minister of Agrarian Reform Heherson Alvarez has been quoted as saying that the government should carry out a genuine land reform program which should include coconut and sugar areas. At present, only lands planted to rice and corn are covered by the land reform program.

At a public hearing of the social justice committee, economist Manager Mangahas urged President Aquino to take the initiative by declaring Hacienda Luista which her family owns as an experimental area for the program.

Mangahas said this would set a precedent and remove all doubts on the sincerity of the government to carrying out a genuine land reform program. Ms Aquino promised in the last campaign to explore the possibility of placing Hacienda Luisita, which convers 6,000 hectares of prime sugar lands under the land reform program.

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CSO: 4200/1207

CON-COM APPROVES ARTICLE DEFINING TERRITORY

HK090519 Manila MANILA BULLETIN in English 8 Jul 86 pp 1, 8

[By Rod L. Villa Jr.]

[Text] The Constitutional Commission (Con-Com) approved yesterday Article 1 defining Philippine territory, which, the members asserted, is designed to improve relations with Malaysia without forfeiting the claim to Sabah.

On a vote of 27 to 8, the commissioners approved the provision. It climaxed a long debate aimed at eliminating irritants in the ties with Malaysia while opening options for eventual jurisdiction over the controversial southern area.

The plenary debates centered on the deletion of the 1973 Constitution's territorial provision on "historical rights and legal title."

The Con-Com adopted a proposal of Fr. Joaquin Bernas to use in its place "territories over which the Philippines has sovereign jurisdiction," assuring that this conforms with international law and also allows flexibility in pursuing the Sabah claim.

It was "business as usual" at the Con-Com as Con-Com Vice President Ambrosio Padilla called on the members to ignore the political and military maneuvers arising from the proclamation of former Senator Arturo Tolentino who installed himself president.

Padilla said the government of President Aquino "remains strong because she has the support of the people."

The adoption of Bernas' amendment to the provision on territorial jurisdiction dealt a double-blow to a possible military adventure against Sabah by invoking the provisions of the 1973 constitution.

Bernas sought the elimination of "historical right and legal title" with which Marcos, using the claims of the heirs of the Sultanate of Sulu, pursued the Sabah bid.

With the phrase deleted, Bernas proposed that this be substituted with "sovereign jurisdiction in defining Philippine territory."

The territorial provision, Bernas argued, should not contain any clause, phrase, or word "which may diplomatically harm Philippine relations with other countries."

He pointed out that "legal title has acquired a definite historical meaning in the use of the 1973 Constitution as "a cover-all for claims to Sabah, the Marianas, and other areas over which the Philippines does not actually exercise jurisdiction.

Guingona opposed the Bernas amendment because, he said, it could be misconstrued to mean the dropping of the Sabah claim. This would close all doors to future claims, he said.

Domocao Alonto voted for the Bernas amendment "in the interest and welfare of the country," while Felicitas Aquino said she voted "yes" on the understanding [word indistinct] the possibility of a claim on Sabah.

Jose Bengzon voted for the proposal because he said it does not preclude future claims and does not consider [it] a loss of any part of the country.

Also voting for the provision were Lino Brocka, Florangel Rosario Braid, Ponciano Bennagin, Vicente Foz, Jose Laurel Jr., Regalado Maambong, Ople, Mindaluz Quesada, Florenz Regalado, Francisco Rodrigo, Ricardo Romulo, Rene Sarmiento, and Lorenzo Sumulong.

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CSO: 4200/1207

COMMITTEE APPROVES UNICAMERAL LEGISLATURE

HK050154 Manila MANILA BULLETIN in English 4 Jul 86 pp 1, 12

[By Rod L. Villa, Jr.]

[Text] A unicameral legislature with 250 elected members, to be known as the National Assembly, was approved by the Constitutional Commission [Con-Com]'s legislative committee yesterday.

The proposal won by one vote over the bicameral system in an 8-7 balloting of the committee which reported it out for plenary debates on second reading next week.

Committee chairman Hilario Davide, Jr. cast the decisive vote to break the 7-7 tie for a unicameral law-making body slightly different from the Batasang Pambansa established by the Marcos regime and abolished by President Aquino last March 25.

The committee members also voted for a 4-year term for the assemblymen to be elected by provincial district and sectors, without limitation on reelection.

They thus discarded the system set up by Marcos to appoint sectoral representatives, branding this as a defilement of the will of the people and unwarranted presidential control of the legislature.

Earlier, the Con-Com discarded the parliamentary form of government to heed the clamor of the people for a return to the presidential system.

The committee also set the date of the legislative election on the second Monday of May for those elected to assume office June 30 every 4 years thereafter.

Those who voted for the unicameral system, aside from Davide, were Adolfo Azcuna, Yusup Abubakar, Lorenzo Sumulong, Roberto Concepcion, Eulogio Lerum, Rustico de los Reyes, and Edmundo Garcia.

The legislature would be composed of only one chamber of elected lawmakers, simplifying organization and easily pinpointing responsibility in enactment of bills.

Those who were for the bicameral system were Francisco Rodrigo, Tumucao Alonto, Felicitas Aquino, Alberto Jamir, Serafin Guingona, and Jose Calderon.

This legislative form would consist of two separate chambers, the House of Representatives made up of 124 congressmen elected by provinces, and the Senate composed of 24 members elected at large, as was the setups in the Old Congress.

The committee also unanimously approved the restoration of "question hour" and the reestablishment of the Commission on Appointments composed of three members representing the majority party, three from the minority party and three Supreme Court jusitces, whose chairman would be the senior justice.

Explaining his tie-breaking vote for the unicameral system, Davide said this would make for better democratic representation tied up with the provincial district.

He said a one-chamber law-making body would work for economy and more expeditious legislation. But the legislative committee report is expected to face rough sailing in forthcoming plenary debates where senior commissioners vowed to shatter it with amendments.

Some did not discount the possibility of defeating the unicameral proposal for a two-chamber legislature. Elder commissioners who served in the old Congress recalled that it was a spawning ground for national leaders, saying that almost all the presidents were trained in the old Senate.

Other Con-Com developments:

1. Foreign Affiars Deputy Minister Leticia Rmos Shahani, Feminist leader Madita Gomez, and Dr Aquilino Esguerra led an array of resources persons who batted for stronger provisions protecting women and children's rights.

2. Political Affairs Minister Antonio Cuenco appeared before the Con-Com to declare himself in favor of the presidential system, and demanded the restoration of the right of voters in urban cities to elect both city and provincial officials where the provincial government is located within the cities.

3. The transitory provisions committee approved the holding of early elections based on a resolution filed by the opposition bloc led by Blas F. Ople.

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CSO: 4200/1207

BUSINESSMEN FEAR WEALTH PROBE COOPTED BY MARCOS CRONIES

HK110104 Manila THE NEWS HERALD in English 10 Jul 86 p 10

[Text] The investigation into the hidden wealth of deposed President Marcos and his associates seems to have taken a discriminatory pattern because of the apparent involvement in the probe of top aides of his cronies.

Businessmen expressed this observation yesterday as they sought more specific guidelines in the work of the Presidential Commission on Good Government [PCGG] which has so far sequestered over 200 firms believed owned by Marcos or his cronies or set up through the use of public funds.

At the same time, the businessmen cautioned the PCGG, headed by former Senator Jovito Salonga to be extra careful in screening those who volunteer to help in the wealth investigation.

The probe is a top priority project of the Aquino government designed to recover the bulk of property and funds believed to have been taken by Marcos, his relatives and his cronies during their 20-year reign.

Businessmen who have been closely watching the work of the CPGG said that while some cronies are being investigated intensively and subjected to humiliating treatment like cancellation of passports, freeze on assets including bank deposits or outright seizure of property, some groups appear being left out and allowed to continue with their business as if they were not in any way connected previously with the old regime.

The most prominent crony aide being mentioned is Salvador Hizon, the PCGG's chief legal counsel.

Hizon used to be the top financial adviser of well-known crony Rodolfo Cuenca, headman of the new bankrupt Construction Development Corporation of the Philippines [CDCP].

CDCP, which used to corner all major infrastructure projects in the country, has since been taken over by the government and renamed the Philippine National Construction Corp.

Heavily indebted with the Philippine National Bank, CDCP among others, handled the ambitious Manila Bay reclamation project which was considered a big failure despite the huge sum pumped into it.

After his stint with Cuenca, Hizon became part of the management of the also bankrupt Philippine Underwriters Finance Corp (Philfinance).

This entity was previously controlled by another Marcos crony, Ricardo Silverio, whose conglomerate led by its flagship Delta Motors, also collapsed after incurring heavy debts with the government and private lenders.

/8918
CSO: 4200/1207

3 NATIONS OFFER MARCOS 'MOST GENEROUS TERMS'

HK080431 Quezon City NEW DAY in English 7 Jul 86 p 1

[By H. O. Rivera]

[Text] Honolulu--Three African countries have indicated they would welcome a visit by former President Marcos to explore the possibility of his and his family taking up residence there.

Marcos told NEW DAY in an interview after dinner in his asylum home in Honolulu that the three African countries are Gabon, Ivory Coast and Ghana. "They offered the most generous terms provided that we will help develop them economically," he said.

The former president had in the past sought asylum in various countries, including Spain, Panama and Costa Rica, and turned him down for one reason or another.

"I have received a number of requests from other countries but all of these depend on arrangements with the American government and with the Aquino government which has raised objections to my moving out of the United States," Marcos said.

He said he does not know why the Aquino government objects to his moving out of the U.S. but that "now it is quite obvious that they don't want me also to go back to the Philippines."

Whatever the reason for this, he explained, has nothing to do with the legitimacy problem confronting the Aquino government.

"The legitimacy problem is something else," he said. "There is no way by which they can stabilize the political situation there except by establishing a government acceptable to our people."

He added: "And from where I sit, I can see by the reaction of the people that they do not and are not accepting a revolutionary government."

For a man rumored to be terminally ill, the former president looked strong and healthy, and he attributed this to his 4 months' "forced vacation" which he said, has done wonders to his health.

"I jog, I lift weights, I do push-ups, and I'd like these people who are talking about my health to try and do the exercise that I perform," he said.

When not entertaining visitors, Mr Marcos spends a good amount of his time at his porch which provides him with a magnificent view of the sea and enables him to enjoy the Hawaiian seabreeze.

The large backyard of his rented beachfront house affords him a place to do his jogging away from prying eyes and he enjoys resting under the shade of two mango trees in his backyard.

Marcos said he has now regained his health and is strong enough and "ready to work for my country if they want me to go back and help."

He said, however, that he would not go back to the Philippines if his presence there would cause a civil war.

"I do not intend to initiate any violence, but if it becomes necessary--and I think it might be--for me to go there to remind our people that they must be united and unite them in the effort to solve the economic crisis and the insurgency problem, then I will."

However, he said he would like the various opposing factions to unite first and those who cannot work should give way to those who can because "our principal task would be to solve the economic crisis and eliminate the problem of communist insurgency."

On the move to reopen the Aquino assassination case on the ground that there was a mistrial, Marcos said that Manuel Herrera's claim that he (Marcos) pressured the court to acquit the respondents is nothing but a shameless lie.

He said he had asked people back in Manila to check the files, including the tape recordings and the notes taken during the conference and that they had reported back that Herrera's statement is a complete fabrication.

Marcos said that of all the members of the Tanodbayan, only Herrera was insistent on filing charges against accessories after the fact when the evidence does not warrant the filing of such a charge.

He said he had called the Tanodbayan and all its members to a conference when he received word that the Tanodbayan did not believe there was any evidence that could sustain charges of accessory after the crime.

"I understand that Justice Narvasa sent a letter to the Tanodbayan saying that the evidence in the Agrava Report is not evidence that can be used but that they are merely conclusions by the Agrava Commission.

He recalled: "And when I asked that Tanodbayan, including Mr Herrera, they all agreed that there was no evidence of accusing any of the officers of being accessories after the fact."

Marcos said he was also made to understand that even some justices of the Supreme Court had called attention to the fact that there is no evidence against any accessory after the fact.

And so, he recalled, he told everybody in that conference with the Tanodbayan, including Herera: "What will happen if you file this case? You will be play-acting. You would be engaged in a moro-moro" [farce].

Marcos said he had received reports that Herrera had committed anomalies when he was with the NISA (National Intelligence and Security Administration) under Gen Fabian Ver and also as a prosecutor and later as a member of the Tanodbayan.

However, he said, he would like to get the evidence first before airing this charge. "I want sworn statements and I want documents," he said, "and when we have the evidence, we will blast the case wide open."

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CSO: 4200/1207

MEMORIAL ESTABLISHED FOR MARCOS REGIME VICTIMS

HK110832 Manila PHILIPPINE DAILY INQUIRER in English 9 Jul 86 p 20

[Text] A group of concerned citizens, headed by former Sen Jovito R. Salonga and Ms Aurora Aquino recently organized the Bantayog Ng Mga Bayani, a memorial to the victims of authoritarian rule.

The memorial consists of a structure that shall contain thoroughly-researched and verified documents bearing the names of persons believed to have died or disappeared from December 30, 1985 to February 25, 1986, under the following circumstances:

--As a result of military operations, by "salvaging," torture, hamletting, and other methods.

--For protecting the ballot.

--For speaking out or writing against oppression, repression, anarchy, terrorism, tyranny, despotism, and/or plunder of the nation's wealth.

--For daring to fight or struggle for the restoration of the democratic processes.

--For joining demonstrations, rallies, and other expressions of protest against the establishment.

--For working with the poor and the oppressed.

Nominations to the roll of honorees shall be open to relatives and friends of the victims, and the general public. The nominations should be accompanied by evidence showing that the nominees were victimized by the past authoritarian regime because of his commitment to the cause of freedom and justice.

A research and documentation committee shall evaluate the nominations and documents and verify whether the nominees are qualified to join the list of honorees.

The final inclusion of the names to the roster of enrollees shall be the decision of the Executive Committee composed of Salonga, chairperson, Ms Aurora

Aquino, honorary chairperson, Abraham F. Sarmiento assistant chairperson; and Ms Josefa Jopson, Ms Cecilia Lagman, Dr La Verne Mercado, Bishop Tito Pasco, Ms Lydia de la Paz, and Rev Cirilo Rigos, members.

The committee chairpersons are: Thelma Arceo, research; Victor Barrios, finance; Pearl Doromal, design and venue, and Ledevina V. Carino, concept development, and Mariano Sarmiento Ii, Legal. Nievelena V. Rosete is the Memorial secretary.

Nominations may be sent to the Research and Documentation Center, Bantayog ng mga Bayani, Room 109, Bonifacio Building, University of Life, Pasig, Metro Manila.

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CSO: 4200/1207

POLICE, RELIGIOUS CULTISTS CLASH, 12 DEAD

HK130410 Hong Kong AFP in English 0359 GMT 13 Jul 86

[Text] Cagayan de Oro, Philippines, July 13 (AFP)--Police shot dead 12 members of an anti-communist religious cult who attacked a government building near this southern city, the Information Ministry said Sunday.

The clash occurred Friday when members of the Philippine Benevolent Christian Missionary Association, armed with long knives, stormed a government health center near Jasaan Town, Information Ministry spokesmen here said.

They told AGENCE FRNACE-PRESSE in an interview from Manila that police and paramilitary constabulary troops sent to the rescue opened fire on the cult members who ignored an ultimatum to surrender.

The bodies of the victims were taken to the municipal hall of Jasaan, some 750 kilometers southeast of Manila, but relatives refused to claim them, the spokesmen said, quoting the town's police chief, Antonio Mercado.

Two other cultists were seriously wounded, they added.

The religious cult is among more than a dozen such armed groups roaming the rebellion-torn island of Mindanao in search of their arch-enemies, communist New People's Army (NPA) guerrillas and sympathizers.

Members of these cults believe they are invulnerable to bullets and other weapons.

(In Manila, newspapers reported that armed men abducted 10 Roman Catholic nuns Friday in the predominantly Muslim city of Marawi in central Mindanao.

(Official confirmation of the report was not immediately available.

(The reports said armed men barged into a Carmelite convent as the women were finishing their evening prayers.

(It was not immediately known if the incident was related to last month's abduction in Marawi by unknown gunmen of a French Roman Catholic priest, Father Michel de Gigord, who was held for 2 weeks.)

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CSO: 4200/1207

RAMOS REPORTS ON NPA KILLINGS SINCE LATE 1985

HK040511 Manila MANILA BULLETIN in English 3 Jul 86 pp 1, 7

[By Jose de Vera]

[Text] A total of 913 individuals, including many subversives of "doubtful loyalty," have been killed since late last year in atrocities perpetrated by the New People's Army (NPA).

This was disclosed today in documents attached to a letter sent by Gen Fidel V. Ramos, chief of staff to the new Armed Forces, and Commissioner Jose W. Diokno of the Presidential Commission on Human Rights (PCHR).

Ramos called the attention of the PCHR to recently unearthed NPA atrocities, including summary executions of innocent civilians.

Mass graves of victims, according to Ramos, have been found in Bataan, Misamis Oriental, and Agusan del Norte. It is strongly believed that more are yet to be found in other provinces, he added.

In the other documents, killings by the NPA were listed in detail. These took place in Bukidnon, Ilocos Norte, Cagayan, Albay, Zamboanga del Norte, Bohol, Negros Oriental, Negros Occidental, Davao Norte, Davao City, Misamis Occidental, Kalinga-Apayao, South Cotabato, Eastern Samar, and Nueva Ecija.

Ramos told Diokno that last June 10, 19, and 20, government troopers exhumed the remains of 215 victims of NPA's "Operation Linis" last year in several mass graves in Misamis Oriental.

Most of the victims, according to Ramos, were civilians who refused to cooperate with the insurgents. At least 24 of the victims were members of the NPA who either planned to surrender or were suspected to be government spies.

An NPA surrenderer revealed that some of the victims were tortured to death. The remains of 54 victims of NPA atrocities were earlier exhumed in various places in Butuan City, Ramos said.

In the letter it was stated that early this year in northeastern Mindanao, the NPO launched "Operation Zombies," a series of summary executions of CPP-NPA members suspected as government agents or "infiltrators." At least 130 insurgents operating mostly in Misamis Oriental, Agusan del Norte and Bukidnon were killed in the operation.

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CSO: 4200/1207

NPA LIQUIDATION SQUADS STILL ACTIVE

HK110824 Manila PHILIPPINE DAILY INQUIRER in English 9 Jul 86 p 6

[By Rod Izon]

[Text] A superintendent of the national defense arsenal in Limay town was shot dead the other day by men believed to be members of the New People's Army (NPA) liquidation squad.

Engineer Roberto Sutid, 37, of the arsenal's material and quality control division, was killed as he stepped out of the office to buy newspapers.

Col Cecilio Penilla, Bataan PC [Philippine Constabulary] provincial commander, said that according to military investigators. Penilla was killed because he had refused to give the dissidents ammunition.

Sutid is also president of the Bernabe Subdivision in Limay.

Late last week, the NPA sparrow unit in Bataan attacked the camp of the PC "Bravo" company in Sitio Company, Barangay Calaylayan, Abucay, late last week.

Sgt Manuel Paras, security guard, was wounded.

Reports said the suspects arrived in two Ford Fieras.

Meanwhile, NPAS killed two PC soldiers and robbed them of their guns in Lanao del Norte late last week.

Belated reports reaching the Central Mindanao Regional Unified Command (RUC 12) identified the slain troopers as Sgt Romualdo Yseres and CIC [Constable 1st Class] Virgilio Intong, both assigned to the 444th PC company based at Kolambugan, Lanao del Norte.

The victims were shot in the head and their Armalites were stolen.

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CSO: 4200/1207

'HEAVY FIGHTING' REPORTED WITH MNLF REBELS IN MINDANAO

HK011605 Quezon City BUSINESS DAY in English 1 Jul 86 p 24

[Text] Heavy fighting broke out between some 100 Moro National Liberation Front (MNLF) rebels and government troopers in at least four major provinces in Mindanao, Camp Crame said yesterday.

As fighting raged, former Lanao del Sur Governor Ali Dimaporo accused Brig Gen Rodrigo Gutang, regional unified command (Ruc) 12 chief, of violating the peace accord between the MNLF and the Armed Forces.

Clashes erupted after government forces under Gutang captured Hadji al Murad, a high-ranking official of the Moro Islamic Liberation Front (MILF), a splinter faction of the MNLF.

The MILF leader was traveling in Lanao del Sur reportedly on a peace mission with the government.

Maj Gen Jose Magno, southcom chief, confirmed to newsmen that government troopers are battling the MNLF forces particularly in Zamboanga del Sur.

Fighting is feared to escalate into a full-blown war as reports from at least four Mindanao provinces show that Muslim forces and AFP [Armed Forces of the Philippines] men are now locked in battle.

A recent incident occurred in Zamboanga del Sur's Olutanga town, home to the Tausugs, where AFP task force Olutanga is still fighting as of press time with some 100 MNLF rebels led by Commander Salip Andam Redman.

Government troops, according to a Camp Crame report, captured a rebel camp with 45 foxholes in Pulo, Mabo, Olutanga, resulting in the death of two rebels and the caputre of several firearms.

Meanwhile, in South Cotabato, some 165 MNLF rebels under Commander Abdul Gulam of Lutayan town clashed with elements of the third infantry brigade and the 456th PC [Philippine Constabulary] Company.

Two rebels were killed and an army soldier was wounded.

The clashes were preceded by grenade attacks on government troopers in Sulu, resulting in the wounding of four government soldiers.

This was followed by grenade throwing of the house of MILF official, Hadji Mutalid Dimalao, wounding Salik Daladag and his wife, Alapia.

In Manila, Dimaporo said Murad was humiliated by Gutang's men who allegedly hogtied the nine companions of the reputed MILF Central Committee members.

Dimaporo said, "I am afraid that when you embarrass a Muslim, he will not stop until he gets even. He will surely retaliate."

Murad was later released by Gutang who reportedly told Murad that he should have gotten a safety pass from the regional commander before he went to Lanao del Sur from his rebel base in Jolo.

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CSO: 4200/1207

MILITARY SURROUNDS REBELS IN NEGROS OCCIDENTAL

HK031038 Manila THE MANILA CHRONICLE in English 1 Jul 86 p 5

[By Correspondent Rolando Espina]

[Text] Bacolod City--Fighting punctuated by bursts of heavy artillery raged Sunday and yesterday as government troops pursued a 300-man New People's Army group that had raided the 7th Infantry Battalion detachment in Hinobaan, Negros Occidental, last June 20.

A Task Force Sugarland (TFS) officer said the military had surrounded the guerrillas. The officer, who asked not to be identified, said however, the rebels were trying to break through.

He said four soldiers were wounded but he withheld their identities pending notication of their families. The casualties reportedly belonged to the Bravo Company of the 7th Infantry Battalion in Barangay Talagacay, Hinobaan, was attacked by the NPA June 20. [sentence as published]

The TSF officer's report confirmed reports by members of a joint private-government medical mission to Camindangay of heavy fighting some three kilometers from where they treated 600 indigent persons Sunday. The members of the mission claimed they heard artillery fire.

The latest casualties brought to eight the number of government troops wounded while pursuing the rebels.

Four soldiers were wounded June 24 when a composite team from the battalion tried to block the guerrillas fleeing toward Sipalay Town through the forested Manlukahoc Plateau.

The TFS source said the rebels were being subjected to mortar fire by the military.

The civilian population of the southern hinterlands have been forced to evacuate their homes because of the fighting.

Leonardo Gallardo of the Negros Economics Development Foundation, who accompanied the medical mission, said he saw hundreds of refugees going toward Camingdangay. He added that 300 upland residents had evacuated to escape the crossfire.

In Hinobaan Town, 937 families who had evacuated were advised to go back home by military officials, who told them "you'll not get hit if you are not NPA."

Many Xandoni and Sipalay residents, however, were not taking that kind of advice. Reports say three mortar shells fired in Hinobaan exploded in farm plots 20 meters from the homes of some farmers. The farmers said their small children had vacated the area only minutes before the shells exploded.

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CSO: 4200/1207

BATTALION SENT TO NEGROS TO FIGHT INSURGENCY

HK090241 Manila PHILIPPINE DAILY INQUIRER in English 7 Jul 86 p 24

[By Abe Licayan]

[Text] Cebu City--A combat battalion of the army consisting of more than 600 officers and men has been deployed to Negros Island to help contain what appears to be an escalation of rebel activities there.

Military authorities here said in spite of the government's appeal for ceasefire and reconciliation, the communist rebels in Negros struck at two detachments in Negros Oriental and nearly overran the town of Hinobaan in Occidental.

The attacks made simultaneously less than 5 days ago resulted in the wounding of a number of soldiers.

The New People's Army rebels there, who constitute about the biggest number of insurgents in the country, have reportedly been moving around freely in the island.

The battalion led by Col Antonio Laus from the 3d Infantry Division based in Cebu City will reinforce the battalion-size Task Force Sugarland under Col Rene Cardones and the regular constabulary and Integrated National Police forces.

The reinforcement was in answer to a request by the military commander in Negros, citing the growing insurgency problem in that island. The unit will perform not only combat operations, but also civic action work.

The rebels in Cebu, meanwhile, said that while they are for reconciliation, the military should also stop "all acts of aggression" against them.

In a statement released to Cebu newspapers, the provincial committee of the Communist Party and the provincial operational command of the NPA said the rebels have the "capability and ability to stage bigger operations but it is now exercising restraint because of the alleged desire of the government to bring about peace and a lasting solution to the country's insurgency problem."

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CSO: 4200/1207

EX-GOVERNOR THREATENS INDEPENDENCE BID FOR MINDANAO

BK020529 Manila PNA in English 0308 GMT 2 Jul 86

[Text] Manila, July 2 (PNA)--Deposed Lanao Del Sur Gov Ali Dimaporo has threatened to declare Mindanao an independent state if the country will be ruled by communists.

If I am spiritually and morally convinced that our country is going towards communism, and nobody is doing something about it, we will declare Mindanao as independent, Dimaporo said in an interview.

The former Lanao Del Sur governor made the statement a day after he warned of the resumption of hostilities in Mindanao by the secessionist Moro National Liberation Front (MNLF).

Dimaporo said the military knew that he has been very vocal against the New People's Army (NPA) and the MNLF and I identify myself with the military.

The 68-year-old Muslim warlord said he has been prodded by various sectors in Mindanao to declare the independence of Mindanao.

However, Dimaporo said, he cautioned them from making hasty moves because that should be the last thing we should do. He said he asked the people in Mindanao to observe first the performance of the Aquino government. If it is designed for the welfare of the people, we will support it, Dimaporo said. But if it veers towards communism, he said, he will declare Mindanao as an independent state and fight communism.

Pockets of fighting between the MNLF and government forces have been reported during the past few days in various places in Mindanao.

Dimaporo expressed fears that the expiration of the ceasefire in Mindanao Monday and the arrest of Commander Hadji Murad, the highest ranking Muslim rebel in Mindanao, in Marawi City could lead to the re-escalation of fighting in the area. He also cited the failure of the government to meet a group of Muslim rebels who came to the country recently for talks. He said the rebel group left the country without seeing President Aquino.

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CSO: 4200/120

REBEL RETURNEES OFFERED LAND IN MINDANAO

HK090253 Manila THE NEWS HERALD in English 8 Jul 86 p 3

[Text] Cagayan de Oro City--About 60,000 hectares of land are being made available by the government in three areas in Northern Mindanao for rebel returnees, Agrarian Reform Minister Heherson Alvarez announced.

Alvarez said the rehabilitation and resettlement areas for rebel returnees are located in Agusan del Sur, Agusan del Norte and Bukidnon.

Each rebel returnee will be given three hectares within 5 months after rejoining the government, he said.

According to Alvarez, the rehabilitation of the returnees "is a tedious and expensive undertaking." However, such a program "is very valuable in terms of long-term peace and stability," he said.

Alvarez made the remark as political affairs deputy Minister Guillermo Parel told newsmen that the military and the rebel forces in at least seven provinces of Northern Mindanao (Region 10) have agreed to stop fighting to give President Aquino a chance to achieve success in her peace initiatives.

Parel said that the fighting had ceased temporarily in Misamis Occidental, Misamis Oriental, Bukidnon, Surigao del Norte, Surigao del Sur, Agusan del Norte and Agusan del Sur.

He said communist guerrillas in the seven provinces allegedly headed by a certain "Nilo Nabung" have maintained a low profile since Mrs Aquino took office.

Nabung reportedly is a former scholar from the Xavier University here and a cousin of Acting Gov Vicente Emano of Misamis Oriental.

Emano, for his part, said that Nabung has contacted him several times the past few days and had indicated his willingness to return to the fold of the law if the Aquino government adopts a beneficial program for the returnees.

Emano said Nabung and his men are demanding for the implementation of a genuine land reform program and the dismantling of all paramilitary forces, including the Civilian Home Defense Forces.

On [the] other hand, Col Jesus Hermosa Jr. acting regional 10 commander, reported that of the 414 barangays in Cagayan de Oro, 10 percent had been infiltrated by rebels and another 10 percent threatened by them.

Hermosa said, however, that on the overall peace and order situation in Northern Mindanao, the insurgency problem is under control "as only few areas of the region were affected by rebels."

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CSO: 4200/1207

DIMAPORO WARNS ON COMMUNISM, THREATENS MINDANAO REPUBLIC

HK021559 Manila THE NEWS HERALD in English 2 Jul 86 pp 1, 2

[Text] Former Lanao del Sur Gov Ali Dimaporo yesterday warned that the country is fast drifting toward communism and threatened to carve out an independent Mindanao republic should the country fall into communist hands.

Dimaporo based his view on the Aquino government's plan to include communists in a coalition government to be put up with the Unido [United Nationalist Democratic Organization] and PDP-LABAN [Pilipino Democratic Party-Lakas ng Bayan] parties and the military faction to strengthen the government.

The Lanao del Sur strongman and supporter of deposed President Marcos said: "If I am spiritually and morally convinced that the country is going to the communists and nobody is doing something about it, I will declare an independent Mindanao republic."

Answering questions during yesterday's Kapihan ng Mga Loyalista [coff with loyalists] at the Sulu Hotel, Dimaporo said "the participation of the communists in the government is very dangerous and the Filipino people who are hungry for real democracy and freedom will not tolerate such a thing to happen."

Dimaporo also lashed out at the Aquino government's lack of decision action on the Mindanao problem, saying that an "endless war" would result from the refusal of the government to heed Moror National Liberation Front's demand for the implementation of the Tripoli Agreement of 1976.

In another development, Princess Tarhata Alonta Lucman of the ruling family of the Sultanate of Sulu also assailed the government for its "insensitivity and utter lack of understanding of the Muslim problem."

"In lanao del Sur today, we have no semblance of government. We have taken leaders but they are helpless to bring peace and unity among our people," she said.

The princess added that the "mujahideen" (religious warriors) are escalating their military efforts.

"My people can no longer wait and the call to arms becomes more and more appealing to them with each day that this government refuses to move," she added.

Dimaporo urged President Aquino to work for reconciliation. He said he is appealing to the president to be magnanimous and asked her to address herself to reconciliation so that normalization and development could be achieved.

In the same interview, Dimaporo asked that loyalists should be tolerated in mass actions saying that, "if you wipe out loyalists, or resistance groups, you will be killing democracy."

Loyalists, he said, should be given the necessary permit.

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CSO: 4200/1207

MALAYA EDITORIAL VIEWS CEASE-FIRE TALKS

HK101226 Quezon City ANG PAHAYAGANG MALAYA in English 4 Jul 86 p 4

[Editorial: "Hopes for Peace"]

[Text] The festering 17-year-old communist insurgency problem will have reached a high point soon with the first official neogtiations between the government and communist emissaries in an undisclosed place. It was a historic start for the "peace with honor" bid of the new government in its search for that elusive dream of uniting all Filipinos to hasten the monumental task of nation-building in this Marcos-ravaged land.

Let it be noted at the outset that there are good indications that could truly lead to a ceasefire in the ongoing talks between the government and rebel emissaries. Although the eve of the historic meeting has been marred by an ambush by the New People's Army in Quezon resulting in the death of some 8 soldiers, this should not be misconstrued as a deliberate effort to torpedo the negotiations. There is no reason to believe that the insurgents would agree to any meeting in the first place if ceasefire during the talks had not been envisioned as a part of good intentions. If at all, and at the risk of being naive, the ambush could be an isolated incident staged by some rebel elements who might not have heard of the agreement for a dialog that was already forged between the protagonists.

More than any other factor to be considered in the negotiations is the sincerity of intentions on both panels. Barely a few weeks in the saddle, the new government has embarked on a policy of reconciliation with the local communists to end the festering sore that had sundered and wounded the nation for so long. It had translated this sincerity, many have noticed, in the two negotiators it has named for the purpose. Although a conflict of interest may be minimally involved in Mr Jose Diokno's case, bearing in mind his present position, this could not conceivably affect the progress--nor the outcome--of the talks, and the same goes for Mr Ramon Mitra.

We can only hope that the representatives of the other group, Messrs Antonio Zumel and Satur Ocampo, will not pass up the chance to prove that the interest of the country is the guiding rationale behind their struggle.

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CSO: 4200/1207

COMMISSION INVESTIGATES ABUSES BY TROOPS IN CAGAYAN

HK101554 Quezon City BUSINESS DAY in English 10 Jul 86 p 27

[By reporter Ramon R. Isberto]

[Text] The Presidential Committee on Human Rights [PCHR] will subpoena some military officers deployed in the Cagayan Valley region to hear their side regarding charges of human rights abuses allegedly committed by government troops operating in the area.

PCHR member Prof Haydee Yorac told newsmen yesterday that the seven-man committee chaired by former Senator Jose W. Diokno will decide on who and how many military officers will be summoned after it finishes evaluating the evidence and testimony that it gathered during its fact-finding trip to various areas in the provinces of Cagayan and Kalinga-Apayao last Monday.

After hearing the side of the military officers, the committee will evaluate the facts and submit its report and recommendations to President Corazon C. Aquino for her consideration, Yorac explained.

The committee was able to gather some 88 affidavits on various complaints. Sixty-four of these complaints came from 12 towns in Cagayan, 22 were from four towns in Kalinga-Apayao and two from two towns in Isabela. Committee members Zenaida Quezon-Avancena, Sr. Marianni Dimaranan, William Claver and Yorac also visited the town of Sta. Maria in Kalinga-Apayao, where refugees from other surrounding towns were reported to have gathered and flew by helicopter over other sites which were reportedly abandoned by residents as a result of military operations.

The committee went to Region II in response to a formal complaint filed with the PCHR by various human rights groups accusing the military of resorting to "hamletting" (i.e., the forcible relocation of people), physical abuse and summary execution of farmers while conducting its anti-insurgency operations in the region.

Top military officials however dismissed the allegations and claimed that the fact-finding team that visited the area last May had been infiltrated by the communists.

While stressing that the committee still has to evaluate the evidence and testimonies, Yorac said the PCHR has "substantive evidence" regarding the "transfer of the population from one area to another."

In Sta. Maria, for example, the Barrio captain told the committee members that half of the present population "evacuated" from other areas.

The committee was also able to take video tapes of other areas where there were houses that appeared to be abandoned. Yorac said however this has to be studied in relation to testimonies and other evidence.

The committee also heard complaints from a group of farmers who gathered in Tuguegarao of being forced by the military to deliver Gabi plants and dogs "for the purpose of eating."

There were also various complaints of physical abuse by military men such as the burning of hands and the disappearance of a number of persons.

The PCHR declined to identify persons or units accused of committing such acts. Yorac did say though that one name that "consistently" cropped up was that of a certain Sgt Duenas.

The UP [University of the Philippines] law professor added that the committee was greated at Tuguegarao by a demonstration of about 50 to 80 people denouncing alleged atrocities of the New People's Army.

The group, which reportedly had been ferried to the airport in two trucks, presented a document to that affect signed by over a hundred people. The document however did not cite specific atrocities, Avancena said.

Some military officials in Cagayan told a similar line. PC [Philippine Constabulary] provincial commander for Cagayan, Lt Col Rodolfo Aguinaldo pressed this point when he met the PCHR's advance party.

Yorac said the PC colonel was "very vocal about his unhappiness" over the committee's visit to the area. Apart from this, there were no further obstructions from the military officials in the region, she added.

Yorac said the investigation of alleged NPA atrocities is not within the scope of the committee's mandate, adding that such complaints should be raised with the regular courts.

Brig Gen Samuel Soriano, who represents the AFP [Armed Forces of the Philippines] in the committee, added that the committee can forward the information to the proper government agencies who can take action on them.

Asked if Aguinaldo, who has been cited in various complaints of alleged torture and maltreatment of political detainees during the Marcos administration, would be subpoenaed by the committee, Yorac said, "We are considering that."

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CSO: 4200/1207

ECONOMIST PREDICTS 'HARDLY ANY OVERALL GROWTH' IN 86

HK101544 Quezon City BUSINESS DAY in English 10 Jul 86 p 3

[Excerpt] The economy is expected to improve by the third and fourth quarters this year, but the improvement will only offset the poor performance in the first half of 1986. As a result, 1986 will end with hardly any overall growth for the economy, Omar T. Cruz, head of the economic forecasting unit of the Center for Research and Communication (CRC), said yesterday.

Cruz attributed the growth expected for the second half of this year--a 4.1 percent rise in the gross domestic product (GDP) as against a negative 3.7 percent for the first half--to money coming from abroad, estimated at $501 million, to finance the government's deficit spending.

He said he sees no stronger rally of the Philippine economy as the targeted foreign financing of $1.08 billion is not expected to come in and only $501 million can be raised at the moment.

A second reason Cruz cited was that the bulk of government expenditures will be lent to ailing government corporations and financial institutions and used to amortize loans. He said that becuase of financing constraints, the government may even be forced to cut its expenditures.

Pump priming efforts of the government will hardly be felt and will result in only a marginal 0.5 percent growth in personal consumption expenditures for the second half of this year, while investments will remain negative during the same period.

Exports are expected to grow by 5.6 percent for the second half and post an overall growth of 3.3 percent for the entire year. Imports will grow by a higher 5.6 percent for the next 6 months. For the entire year, imports will grow by 4.5 percent.

Total external debt is estimated to reach $27.4 billion by the end of this year from $26.25 billion in 1985. The debt service ratio will be 37.63 percent this year compared to 43.26 percent last year. Interest payment as a percent of merchandise exports for this year will remain at close to 50 percent.

The average foreign exchange rate for the second semester has been estimated at P20.80 to the dollar. For the entire year, the rate has been placed at P20.56. Next year, Cruz projected an average foreign exchange rate of P21.60.

The inflation rate will remain at a manageable 3.5 percent for the entire year. The nominal lending rate will continue to decelerate to 16.5 percent for the second semester from 19.56 percent in the first semester for a year-end average of 18.03 percent.

The country's balance of payment (BOP) for this year will post a surplus of $1,053 million with debt rescheduling. Without rescheduling, the BOP will be a negative $300 million. International reserves will reach $1,348 million this year.

Cruz said he expects recovery to begin only in 1987. "By that time, business will begin enjoying the benefits of tax restructuring, import liberalization, price decontrols, less government involvement in business and lower bank intermediation costs," he explained.

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NEW STANDBY AGREEMENT TO BE NEGOTIATED WITH IMF

HK090229 Manila MANILA BULLETIN in English 8 Jul 86 p 11

[By Juanito Concepcion]

[Text] The government will start early next week formal negotiations with the International Monetary Fund for a new 18-month standby agreement even if the government has yet to start implementing the restructuring program for the government financial institutions (GFIS), one of several areas of concern in the forthcoming talks with the fund, a government official said yesterday.

The IMF team, lead by Hubert Neiss, deputy director of the IMF Asian department, is set to arrive on July 14.

The Philippine negotiating panel will be headed by Central Bank [CB] Governor Jose B. Fernandez Jr. who arrived over the weekend from a vacation in Africa.

The restructuring of GFIS was earlier pinpointed by government officials as one of several problematic issues that needed to be threshed out before the start of formal negotiations with the IMF.

The tax reform and import liberalization programs, suggested for implementation in an IMF memorandum last April, had been put in place by the government.

The official, who declined to be identified, said the new standby agreement would likely set various quarterly quantitative and qualitative performance criteria that should be met by the government to allow it to draw from the new credit facility being sought from the IMF.

The quantitative performance criteria will most likely include reserve money levels, net domestic credits, net international reserves, Philippine National Bank access to CB borrowings and others which were similarly contained in the previous standby program that expired last month, the official said.

He declined to specify the amount of credit facility the government would seek from the IMF. The IMF in 1984 granted the government a standby credit of 615 million special drawing rights [SDR] equivalent to $610 million.

An official also could not say whether or not the 212 million SDR which the government failed to draw from the previous credit facility would be added to the new facility.

An agreement with the IMF for a new standby agreement is deemed crucial as it will signal the start of the government's negotiations for multi-year restructuring and fresh economic assistance from foreign commercial banks, as well as official creditors.

Government sources also said that the huge budget deficit that the government is projecting this year was another area of concern of the IMF.

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GOVERNMENT INCURS P10 BILLION DEFICIT JAN-JUN 86

HK080945 Manila MANILA BULLETIN in English 5 Jul 86 p 15

[Text] The national government incurred a P10 billion budget deficit during the first 5 months of the year as revenues of P29.6 billion were inadequate to cover up total expenditures of P39.6 billion during the period, preliminary figures of the Bureau of Treasury have showed.

The shortfall in revenue collection during the first 5 months and projections that total revenues to be collected for the whole year will amount to only some P86 billion, as against expenditures of about P113 billion, has prompted the government to further revise the projected budget deficit for the year, government sources said yesterday.

From the P22 to P26 billion deficit which was earlier projected by the Budget Ministry, the new range has been set at between a conservative level of P25 billion to P29 billion, sources said.

The earlier how P22 billion deficit level was projected taking into account the $200 million, or P4 billion, Economic Support Fund [ESF] from the United States.

If the P4 billion from the ESF is received by the country before the end of the year, especially with the recent signing of the agreement for the release of the funds, the new deficit level will likely be about P25 billion only, sources said.

Budget Minister Alberto Romulo earlier said increased equity and net lending to government financial institutions, particularly the Philippine National Bank, would further bloat the projected deficit level for this year from the earlier lower estimate of P22 billion.

Sources said the Finance Ministry is still figuring out if revenues can still be significantly increased from the projected P86 billion with the implementation starting July 1 of a package of tax measures which is designed, among others, to further increase government revenue collections.

Estimated net revenue impact of the tax package is P4 billion yearly or P2 billion in 1986.

Any significant increase in revenue collections will finance and trim down the projected deficit for this year, sources said.

Sources said the government intends to finance about P10 billion of the projected deficit from domestic borrowings.

The balance of the projected deficit will be financed through foreign loans of the official development assistance type that the government is trying to finalize right now, sources said.

Failure of the government to raise the needed amount to finance the balance of the projected deficit may prompt the government to further increase its domestic borrowings from the P10 billion level that was earlier set as some sort of a limit, sources said.

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CSO: 4200/1207

ONGPIN OPPOSES SELECTIVE DEBT REPUDIATION

HK240315 Manila MANILA BULLETIN in English 23 Jun 86 p 19

[Text] The government cannot afford to undertake selective repudiation of its foreign debts because the country, compared to other debt-ridden countries like Peru and Brazil, is in the most vulnerable position, Finance Minister Jaime V. Ongpin said.

Ongpin's position contrasts with the selective debt repudiation stance that still [as published] being espoused by Economic Planning Minister Solita Monsod.

The finance chief said the government can take extreme actions, like a selective debt repudiation only if there is no need to borrow money from the international credit market in the future.

He indicated that the Philippines would continue to borrow funds from the international credit market to finance the development of the economy.

Ongpin said the policy of the government is to honor all its legitimate obligations.

President Aquino earlier said that we need to be able to preserve our access to the foreign credit markets in the future. And unless we are willing to abandon that access and say that we will not borrow one more penny because we can afford to survive by ourselves, that option of a selective debt repudiation, in my opinion, may not be sound," Ongpin said. [no opening quotes published]

He confirmed the findings of Anatole Kaletsky of the FINANCIAL TIMES of London in his study on the cost of defaulting that the Philippines cannot afford to undertake a selective repudiation of its debts because of the adverse consequences.

Kaletsky's report, which was documented with statistics, showed the vulnerability and the new monies available to debt-ridden countries like Argentina, Brazil, Peru and the Philippines.

Ongpin conceded that questionable loan transactions, like those involving the $2.3 billion Batasan nuclear plant, may be investigated.

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CSO: 4200/1207

INDEPENDENT CENTRAL BANK PROPOSED FOR CHARTER

HK091448 Quezon City BUSINESS DAY in English 9 Jul 86 p 3

[Text] A provision ensuring the independence of the Central Bank [CB] has been proposed for inclusion in the new charter being drafted by the Constitutional Commission [Con-Com]. This was disclosed by Bernardo M. Villegas, chairman of the Con-Com committee on the national economy and patrimony, yesterday before members of the Philippine Economic Society. Villegas also said monetary board members should come from the private sector, unlike in the present setup where government representatives dominate the board.

The Monetary Board is the CB's policy-making body.

The independence of the CB was one of the proposals made by economists of the UP [University of the Philippines] School of Economics and adopted by the National Economic and Development Authority (NEDA) as a guide for its medium-term program.

The UP economists pointed out the need for an independent CB so it "will be better able to supervise and regulate financial institutions and assure them independence from the intrusion of political and other interest groups."

Villegas told BUSINESS DAY that it remains unclear at this point of his committee's deliberations if there will be any government sector representative in the monetary board. He emphasized however that the majority will come from the private sector.

During the same forum, Villegas outlined the thinking of the committee about ensuring a more responsive private sector to act as the engine of growth. He said there is a need to stress the role of the private sector in upholding the common good.

"We can no longer go on thinking that there is an invisible hand; there is no such thing and private enterprise must deliberately work for the common good," he said.

The "invisible hand" was a term used by economist Adam Smith to illustrate his belief that the pursuit of individual self-interest will benefit society as a whole. By pursuing his own interest, Smith said, the individual would promote the interest of the society more effectively.

At least two new provisions will be introduced in the proposed charter. These two, one on social justice and the other on human resources and education, will emphasize the thrust toward improving the lot of the poor.

In the case of the relationship between the private sector and the government, Villegas stressed the principle of subsidiarity wherein the government will only enter areas where private initiative is found wanting.

In the case of foreign investments, the general view of his committee, he said, is to maintain the present 60 percent Filipino and 40 percent foreign sharing of equity in firms that directly exploit the country's natural resources.

National patrimony has been proposed to cover not only the country's natural resources but also the country's culture and manpower resources. He said there is even a proposal to ban the export of Filipino manpower.

Villegas said his committee has been discussing possible economic areas for inclusion under the proposed charter. He said the proposals are intended to improve on the existing system, avoid the pitfalls of previous schemes and introduce innovative and effective principles that will provide the parameters for a more equitable development.

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CSO: 4200/1207

SABAH JOINT VENTURE AGREEMENT SIGNING DEFERRED

HK100134 Manila THE NEW PHILIPPINES DAILY EXPRESS in English 9 Jul 86 p 2

[Text] The Philippines decided yesterday to forego with the signing of a joint venture agreement on agriculture with Sabah, as scheduled, because the agreement might put in estopel the Philippines' claim over the territory.

Instead, Agriculture and Food Minister Ramon Mitra Jr. wrote an appreciative letter to Dr Jeffrey Kitingan, managing director of the Sabah Foundation, left yesterday. [as published]

In the letter, MITRA pointed out that the MAF [Ministry of Agriculture and Food] is prepared to assist in developing the Sabahan economy through joint ventures and technical assistance projects in six areas involving agriculture, the original proposals in the draft agreement.

MITRA's letter also said that MAF and the foundation can play key roles in paving the way towards closer ties between private business sectors in the fields of deep-sea fishing, agro-forestry, rattan making and leather industries and livestock and poultry, among others.

He suggested that both MAF and the Foundation should take steps to link their respective business communities so they can in turn proceed with the appropriate discussions.

Kitingan is expected to present Mitra's letter to his superiors in the Sabah government.

The Philippines is not yet officially dropping its territorial claim over Sabah, as this decision will depend on the Ministry of Foreign Affairs, Mitra said.

He recalled that as early as 1959, when he first visited Sabah, he proposed the setting up of a vice consular office, which will be staffed by military officers. He also proposed that more Filipino males be sent to Saban and marry Sabahanas.

He said the reason for foregoing with the signin of the agreement was that he did not want to annex a territory through an official agreement. He also said that he was going along with what he called "the myth of several officials that Sabah belongs to the Philippines.

Mitra also said he has talked to Foreign Minister Salvador Laurel regarding the fielding of agricultural attaches in all Philippine embassies, whose main task is to gather market information for agricultural exports.

He said agricultural attaches at the Philippine embassies in the European Economic Community and the United States have helped a lot in marketing, and in seeking lower tariffs and other trade concessions for agricultural exports of the Philippines.

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CSO: 4200/1207

MINISTER LAUNCHES EXPORT TRADE DRIVE

HK100140 Manila PHILIPPINE DAILY INQUIRER in English 8 Jul 86 p 9

[By Jessica Densing]

[Text] Exports are expected to pick up next year, especially in Europe, as declining prices of oil increase the Europeans' purchasing power and make their markets more receptive to Philippine-made goods.

The prospects are also made brighter by worldwide fascination with the Philippines and the new administration as a result of the February revolution, trade sources indicated.

Acting on this upbeat outlook, Trade and Industry Minister Jose Concepcion, Jr. yesterday mobilized the country's 60 commercial attaches in an export promotion drive not only in Europe but in all the country's markets the world over.

Brighter expectations for the export sector were expressed by Vice Austin, president of the Foreign Buyers Association of the Philippines, who said that in the European Economic Community alone exports of non-traditional goods like garments, furniture and leather goods will increase by 15 to 20 percent.

Agustin said the lower prices Europeans have to pay for petroleum allows them to buy more goods from other countries. Augustin said foreign orders for Philippine products increased 20 percent since President Aquino's assumption of office.

He noted, however, that the administration has not yet been able to make Philippine products competitive in the world market. According to him, local manufacturers are still saddled with high energy costs, lack of capital, high interest rates on borrowed capital, and restive labor.

He said the Aquino government has wasted so much time in implementing the reforms for the export industry.

For his part, Concepcion launched an export promotion drive at a briefing yesterday for the MTI's [Ministry of Trade and Industry] commercial attaches.

The attaches were called home and asked to submit a 6-month program and set export targets in their respective territories.

Concepcion told the trade attaches to fight for increased quotas for local goods and look out for foreign companies interested in investing in the country.

He lamented the fact that our of the $350-billion export market in the United States, the country's share was a mere one-half of 1 percent.

He told the trade attaches to persuade Japanese firms that are planning to move out of Japan where production costs have gone up, to relocate their operations to the Philippines.

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'TOTAL' BAN EXCLUDES PLANTATION LOGS

HK101534 Quezon City BUSINESS DAY in English 10 Jul 86 p 2

[Text] The "total" log export ban that is scheduled to take effect on August 21 will not include plantation logs, according to Ministry of Natural Resources (MNR) spokesman Alfonso Policarpio.

Philippine Wood Products Association (PWPA) President Ernesto Sanvictores confirmed this and said that, based on his understanding, the MNR has excluded from the ban fast-growing species planted in three plantations.

These, he said would include falcatta, eucalyptus, gmellina, acacia mangium, Caribbean pine and ipil-ipil.

Industry sources however raised apprehensions that the exemption of plantation logs "might provide a loophole and could result in the passing off of natural forest logs as plantation logs."

For instance, a source said that in the past, prohibited species also managed to find their way into the export market. "If you want to eradicate smuggling and illegal logging altogether, a total ban should be effected," he added.

Besides, he said there seems to be an insufficient amount of harvestable plantation logs to merit an exception. He noted that many logging firms this year found several plantation species such as falcatta in short supply.

Sanvictores said there are about 75,000 hectares of tree plantations in the country. The Paper Industries Corporation of the Philippines (Picop) takes up the bulk of this total, accounting for 40,000 hectares.

He added that last year, the country exported 130,000 cubic meters of falcatta logs, mostly to Taiwan at an average price of $33 to $35 per cubic meter.

At the just-concluded Southeast Asia Lumber Producers Association (SEALPA) conference, consumer nations were also informed that the Philippine export ban would cover only natural forest species and not plantation logs.

Observers, who had earlier believed that Natural Resources Minister Ernesto Maceda's announcement of a "total" ban covered all forest species, including those from plantations, interpreted the new development as either a relaxation of the rule or an outright deception from the very start.

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'ECONOMIC INDICATOR' COLUMN REVEALS GROWING OIL DEMAND

HK091502 Quezon City BUSINESS DAY in English 9 Jul 86 p 3

["Economic Indicator" column: "Oil Demand Seen Growing 4.6 Percent"]

[Text] From 1986 to 1990, demand for oil is projected to grow 4.6 percent reaching 51.569 million barrels at the end of the 5-year period from an estimated demand level of 49.306 million barrels this year, statistics from the Ministry of Energy (MOE) showed.

The slow growth reflects the continuing decline in energy consumption that started 2 years ago as a result of the government's energy conservation efforts and the slowdown in industrial activity during the period.

Last year, consumption of oil or energy products, which accounted for about 96 percent of the total usage of petroleum products, was estimated at 51.074 million barrels. Consumption has been declining since 1980 with the biggest drops of 17.32 percent and 11.18 percent recorded in 1984 and 1985, respectively.

Due to the slowdown in economic activity, demand for energy products, such as premium and regular gasoline, diesel, LPG, kerosene, avturbo, avgas and fuel oil, is projected to drop continuously until 1987. Demand from the industrial sector, which as of last year accounted for 65 percent of total consumption, will be reduced.

Energy Products Consumption & Demand Forecast

1975 to 1990 #

(in thousand barrels)

	Total	Fuel oil	Diesel	Regular gasoline	Premium gasoline	kerosene	avturbo	lpg	avgas
1975	65,902	29,829	13,227	10,132	5,124	3,154	2,165	2,086	185
1976	67,977	31,418	14,027	9,268	5,530	3,236	2,145	2,177	176
1977	73,784	35,784	14,836	8,791	6,102	3,393	2,320	2,407	151
1978	76,660	36,838	15,582	8,395	6,832	3,683	2,597	2,593	140
1979	79,045	38,659	16,952	7,805	6,652	3,463	2,668	2,734	112
1980	73,979	37,129	17,428	5,299	5,866	3,179	2,605	2,411	62
1981	69,758	34,385	17,787	3,942	5,700	2,860	2,588	2,437	59
1982	69,752	32,971	18,568	3,270	5,941	2,803	3,436	2,524	59
1983	69,557	33,690	18,879	2,971	6,206	2,569	2,658	2,533	51
1984	57,508	24,390	17,090	2,717	5,954	2,269	2,824	2,225	39
1985	51,074	19,968	15,721	2,562	5,888	2,074	2,683	2,142	36
1986	49,306	18,508	15,984	2,400	5,768	2,000	2,697	1,911	38
1987	47,234	15,908	16,384	2,328	5,883	1,980	2,764	1,949	38
1988	48,281	16,286	16,875	2,258	6,030	1,960	2,847	1,988	38
1989	49,913	17,180	17,382	2,201	6,211	1,940	2,933	2,028	38
1990	51,569	17,888	18,077	2,157	6,398	1,921	3,021	2,069	38

# 1975-1985: actual consumption
  1986-1990: demand forecast

Source: Ministry of Energy

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BRIEFS

NPA 'ATROCITIES' IN WESTERN VISAYAS--The Communist Party of the Philippines and its military arm, the New People's Army, are continuing committing atrocities, salvaging, and violating human rights in Western Visayas. During the month of May alone, the RUC [Regional Unified Command] reported at least 28 of such inhuman acts in Aklan, Antique, Capiz, Iloilo, Negros Occidental, and Negros del Norte. [Text] [Manila Far East Broadcasting Company in English 2300 GMT 13 Jul 86 HK] /8918

NPA REBELS KILLED--Asuncion, Davao del Norte--Two suspected communist guerrillas were killed while two others and a soldier were wounded in an encounter between government forces and New People's Army (NPA) rebels over the weekend at Sitio Upper Taga-anonang, Barangay Sagayen this town. In a report to Capt. Rogelio Bonifacio, officer-in-charge of Katipunan Brigade (formerly First Scout Ranger Regiment) with headquarters in Tagum, said one of the slain rebels was identified as Rolando Ocampo of Barangay Sta Filomena, this town. The other fatality was identified. The wounded rebels managed to escape at the height of the firefight. The name of the wounded soldier was not available. The report said a platoon of government troopers belonging to the Second GHQ [General Headquarters] Battalion under 2d Lt Aldelmo Plaza Jr was on patrol in Sitio Tagaanonang when it encountered a squad of heavily armed rebels. A firefight lasting for about 5 minutes ensued. Recovered at the scene were one M-16 Armalite rifle, magazines of assorted ammunitions, and personal belongings of the rebels. [By Ped C. Velasco] [Text] [Manila MANILA BULLETIN in English 10 Jul 86 p 8 HK] /8918

NPA KILL EIGHT--Heavily-armed rebels raided at dawn yesterday [11 July] a ranch owned by Mayor Leonardo Mamba of Tuao, Cagayan, killing eight people including some women. Mayor Mamba broke the news about the raid to reporters in Camp Aguinaldo in Quezon City, where he went to see Defense Minister Juan Ponce Enrile. He said one of his workers was also kidnapped by the New People's Army. The ranch is located in Barangay Santo Tomas, Tuao, at the boundary of Cagayan and Kalinga-Apayao. Mamba said the fatalities could not yet be identified, but said some of them were members of the civilian Home Defense Force. He said some women were hit in the crossfire. [Text] [Manila Far East Broadcasting Company in English 2300 GMT 11 Jul 86 HK] /8918

MASS GRAVE OF NPA VICTIMS--The military discovered some 200 bodies of victims of NPA violence in the towns of [word indistinct] and Claveria in Misamis Oriental. Brigadier General Mariano Adalem, Regional Unified Command 10 commander, said that most of the victims were civilians suspected of being military spies. The military found the mass grave sites in the said towns last 10, 19, and 20 June following the [word indistinct] of its operation linis [operation cleanup] which aimed to identify the bodies of the so-called zombies murdered by the rebels. [Text] [Manila Far East Broadcasting Company in Tagalog 1000 GMT 3 Jul 86 HK] /8918

MNLF REBEL CAMP OVERRUN--Isabela, Basilan--Elements of the 1st Marine Battalion overran last Wednesday a camp of Basilan rebel Commander Talib Conggo of the Moro National Liberation Front in Mount Abong-Abong, Maluso, killing five rebels and capturing seven others. In a report of Southern Command Chief Maj Gen Jose P. Magno Jr., Col Cesar Abella, 1st Marine brigade commander, said one of the captured rebels fits the description of Commander Congo. The rebel camp defended by some 100 armed MNLF rebels was captured after 6 days of fighting. The Marines were led by Maj Emmanuel Teodosio, battalion commander. One Marine soldier was killed. He was identified as Pvt Nilo Bubungbanua. [By Vic Arevalo] [Text] [Manila MANILA BULLETIN in English 30 Jun 86 p 8 HK] /8918

DISSIDENTS EXECUTE MILITIAMEN--Heavily armed dissidents rounded up Monday 40 militiamen in Kapatangan, Digos, Davao del Sur, and executed them in public, according to Southeastern Mindanao regional unified Commander Brig Gen Romeo Recina. In a report to AFP [Armed Forces of the Philippines] Chief Gen Fidel V. Ramos, General Recina said he immediately dispatched troops to track down the rebels numbering some 200. The militiamen, he said, were first disarmed by the rebels and later gunned down in public one after the other. General Recina did not mention if the militiamen put up a fight. He said the pursuing troops, drawn from the Army's 37th Infantry Battalion, were also ordered to rescue any hostages of the rebels. The mass killing of the militiamen followed the beheading on the same day of three civilians and shooting to death of four others by communist rebels in Baranggay Maculan, Lake Sebu, South Cotabato. [Excerpt] [Manila THE NEWS HERALD in English 4 Jul 86 p 1 HK] /8918

ELECTION COSTS OUTLINED--Some 670 million pesos would be needed to fund the holding of three electoral proceedings in the country, namely a general registration of voters, holding of a plebiscite to ratify the constitution, and the holding of the first national and local elections. This was disclosed by Comelec [Commission on Elections] Chairman Ramon Felipe in a report to President Corazon Aquino. Felipe said that in the general registration of voters alone, the Comelec has estimated costs of 375 million pesos, with 262 million pesos for identify pictures of registered voters. He has estimated an amount worth 105 million pesos for the plebiscite to ratify the constitution, while the first national and local election has an estimated cost of 190 million pesos. Felipe likewise proposed that the Commission on Elections be given at least 90 days to prepare before any electoral proceedings are held, to ensure an honest, fair, and clean election. [Text] [Quezon City DZFM Radio in English 0100 GMT 13 Jul 86 HK] /8918

TRAVEL BAN ON TOLENTINO APPOINTEES--Former Batasan speaker Nicanor Yniquez said cabinet appointees to the failed rebel government of former MP Arturo Tolentino should not be placed in a hold order list since no appointment was actually accepted. Yniquez said the names mentioned in the Tolentino cabinet were just considered, no appointments actually executed, no oathtaking took place, and nobody discharged and functioned. The former speaker was reacting to the order of the Foreign Ministry yesterday canceling the passports of the Tolentino cabinet. [Text] [Manila Far East Broadcasting Company in English 2300 GMT 10 Jul 86 HK] /8918

SABAH INCLUDED IN NATIONAL TERRITORY--The Constitutional Commission yesterday approved a resolution defining the national territory, which includes, classically, Sabah. The vote was 39 for and 4 against for the Philippines claim, even as Con-Com member father Joaquino Bernas explained that we have not foreclosed the claim over Sabah and that we can always claim it under international law. The resolution on national territory earlier got deleted from the constitution when it failed to get the necessary majority of 25 during voting on the third reading on Wednesday night. [Text] [Manila Far East Broadcasting Company in English 2300 GMT 10 Jul 86 HK] /8918

NEPAL LOAN FOR AIRPORT--Manila, July 11 (AFP)--The Asian Development Bank (ADB) headquarters Friday announced the approval of a $10.25 million loan to Nepal for the expansion and improvement of the Tribhuvan International Airport. The project is expected to boost Nepal's income from tourism, which in 1985 drew 181,000 foreigners who spent $40 million, a third of the highland nations' foreign exchange earnings, the ADB said in a press statement. The new loan supplements an $11 million loan in 1978. It covers a cost overrun of the airport project as well as design changes intended to accommodate increasing traffic, including a new international passenger terminal, the ADB said. [Text] [Hong Kong AFP in English 0306 GMT 11 Jul 86 HK] /8918

CON-COM RESOLUTION ON MULTINATIONALS--Nationalist delegates to the Constitutional Commission (Con-Com) are preparing to pass a resolution that would stop the operations in the country of multinational companies in certain industries, Con-Com delegate Bernardo M. Villegas yesterday said. This group is batting for a 100 percent Filipino ownership of business activities covering natural resources, telecommunications and advertising. Villegas, senior vice president of the Center for Research and Communication (CRC), said in his speech before the Philippine Economic Society (PES) yesterday that he was confident this resolution would not be approved. Instead, he said a "compromise" would be reached by the commission on the economic program. He said, for example, that telecommunication firms should be at least 75 percent Filipino-owned. "This is because of the sensitive position of the telecommunication industry to national security," he explained. Villegas however said that the existing regulation which allows foreign investors to hold 40 percent equity in certain investments areas such as oil exploration, should be maintained. [Text] [Manila THE MANILA CHRONICLE in English 9 Jul 86 p 9 HK] /8918

DEPUTY JUSTICE MINISTER SWORN IN--President Aquino today swore into office yesterday former MP Emilio de la Paz Jr. as deputy minister of justice, former MP Cirilo Montejo as associate commissioner of the Civil Service Commission, Aurelio German as general manager of the Manila International Airport, and Tereas Roxas as president of the Cultural Center of the Philippines [CCP]. De la Paz, a law graduate of the University of Sto Tomas, was a 1971 Constitutional Convention delegated from the second district of Rizal. He is the former dean of the Lyceum college of law. Montejo holds a masteral law degree from the University of Manila and was as 1971 Constitutional Convention delegate. A practicing coordinator of the Cory-Doy Movement. German is a journalism graduate of the Ateneo de Manila University. He was, until his appointment, managing editor of MANPOWER PHILIPPINES and officer-in-charge of the Bureau of National and Foreign Information. He replaced Romeo Santos. Roxas holds a bachelor of arts degree in English literature from Barnard College of Columbia University. She is a former curator of the Malacanang Palace Museum and chairman of the board of trustees of Ballet Philippines of the CCP. President during the swearing in were Presidential Good Government Commissioner Raul Daza, National Food Authority Administrator Emil Ong. [Text] [Manila MANILA BULLETIN in English 10 Jul 86 p 4 HK] /8918

SPLIT IN MILITARY WARNED--Armed Forces Chief Gen Fidel V. Ramos yesterday warned the New Armed Forces of the Philippines [NAFP] and the public of the existence of a group out to drive a wedge in the military organization by using media to disseminate "black propaganda." Ramos' disclosure of the "anti-NAFP" group was prompted by a news report last Monday (not in the INQUIRER) about the alleged purging of some 40,000 enlisted men whose loyalty to President Aquino is doubtful. Ramos branded the news report as "unfounded" and a "black propaganda of anti-NAFP elements." Ramos said that, in times such as these, there is no greater need than for the military to stay united "for the sake of our people and for the generations of Filipinos that will follow after us." Ramos also reiterated the NAFP's "total commitment" to the national government under the leadership of the president. [Text] [Manila PHILIPPINE DAILY INQUIRER in English 3 Jul 86 p 2 HK] /8918

PORT REVENUE INCREASES, STATISTICS--The Philippine Ports Authority [PPA], Port District of San Fernando, La Union earned a total revenue of P3,172,218.99 for the second quarter this year or 243 percent higher than the P1,301,348.34 revenue of the same period last year. This was bared by PPA Port Manager Adolfo Ll Amor Jr in a report to PPA General Manager Capt Primitivo Solis. The breakdown of the total revenue of the second quarter this year showed that April recorded the highest revenue with P1,225,568.04, May with P1,101,341.95 and June with P845,309.00. Last year, June recorded the highest with P604,933.32, April with P392,479.12 and May with P303,935.90. Like last year, revenue derived from charges on cargoes registered the highest percentage in the amount of P1,881,169.17, followed by revenue from vessel charges in the amount of P697,749.13 and other sources of income like rental of buildings, water sales, permits for ancillary port services in the amount of P593,300.39. Port statistics of second quarter this year showed that foreign trade increased with 106,115 revenue tons handled as compared with only 57,009 revenue tons handled last year of the same period. Imports this year registered a total volume of 46,149 R.T. and exports 59,966 R.T. Domestic trade showed that inbound cargoes registered a total volume of 91,477 and outbound cargoes 29,008 R.T. Last year, this port handled 85,684 R.T. of inbound cargoes and 34,479 R.T. of outbound cargoes. No, considerable changes in domestic trade was noted. On shipcalls, there were 25 foreign and 85 domestic vessels that called on this port this year as compared with 14 foreign and 81 domestic vessels last year. [By Tirso L. Rodriguez] [Text] [Manila MANILA BULLETIN in English 9 Jul 86 p 8 HK] /8918

PAMPANGA OIC'S NDF MEMBERS--San Fernando, Pampanga--At least two of the 21 newly designated municipal officers-in-charge [OIC's] in Pampanga have been confirmed as members of the National Democratic Front. A ranking military commander here said the two municipal executives have been placed under close surveillance by military intelligence agents. NDF is described by the military as an umbrella organization of the banned Communist Party of the Philippines, its military arm the New People's Army and other clandestine church, youth, farmers, workers, and professional groups. Some of the municipal executives in Pampanga and other Central Luzon provinces were denounced by PC [Philippine Constabulary] Maj Vidal Querol for their alleged apathy in the anti-insurgency drive in their respective jurisdictions. Querol did not identify the two OIC's who are allegedly members of the NDF. Querol, Bataan assistant PC provincial commander, publicly denounced some of the municipal officers-in-charge for their "uncooperative attitude and stand" in the drive against insurgency during the reorganization meeting of the Central Luzon Regional Peace and Order Council in Camp Olivas last week. [Text] [Manila THE NEW PHILIPPINES DAILY EXPRESS in English 3 Jul 86 p 2 HK] /8918

MINISTER ON U.S. BOND FLOTATION--Finance Minister Jaime Ongpin said the floating of "Cory Bonds" in the United States to raise money for the country's economic recovery program would entail a lot of complications, that would make it an expensive exercise. Ongpin said it might be difficult for the Philippines to float the bonds in the U.S. market because the country did not have a "triple A rating." Moreover, he said, the principal would have to be collateralized or guaranteed, making it an expensive program. Ongpin also said that the Philippines would have to make a lot of disclosures before the U.S. Securities and Exchange Commission (SEC) regarding the Philippines' need to issue bonds. The finance minister said the Philippines was looking for less complicated alternatives, such as the issuance of "mutual funds." The floating of such type of bonds, a suggestion of foreign investment bankers in New York, has also been undertaken by South Korea, Thailand and India. The bonds are interest-bearing government certificates of indebtedness and are redeemable at a fixed date. [Text] [Manila THE MANILA CHRONICLE in English 7 Jul 86 p 9 HK] /8918

CSO: 4200/1207

ECONOMICS OFFICIAL CRITICIZES U.S. FARM ACT REPORT

BK030219 Bangkok BANGKOK POST in English 3 Jul 86 p 13

[By Walailak Kiratiphiphatphong]

[Text] Business Economics Department Director General Danai Dulalampha yesterday criticised an analysis of the impact of the Farm Act available in the U.S. Department of Agriculture saying the analyst lacked knowledge of rice market mechanisms.

Mr Danai, who read the analysis for the first time yesterday, said he was upset and unhappy about the report.

"I am certain that this is not the official position of the U.S. Government," Mr Danai said, adding that he needed more time to study the report.

He also said that he would send a copy to Deputy Premier and Foreign Minister Sitthi Sawetsila.

The official who wrote the analysis has no knowledge of the rice market mechanisms, the top official said.

Mr Danai said that the analysis attempts to "bury the facts."

He said the cause of low rice prices was due to the United States having dumped a lot of money into subsidising their rice exports.

The United States is now very critical of the European Community for subsidizing their agricultural exports while at the same time they are doing the same thing, he said.

Before he read the analysis, Mr Danai told reporters that the major cause of Thai rice prices was the U.S. Farm Act.

"I can confirm that the weakening in prices is a direct effect of the U.S. Farm Act, " he said.

His view was shared by the Export Development Committee which held a meeting yesterday and agreed that the U.S. Farm Act had caused severe impact on Thailand's market share.

It however expressed delight that Thailand could be able to remedy the situation in time.

Mr Danai said that as a result of the act, importing countries have adopted a wait-and-see attitude in anticipation of announcements of further price falls of the U.S. rice in the world market.

He cited the first announcement made in April by the U.S. Department of Agriculture that delayed orders from importing countries.

He said that in a recent press interview, the U.S. minister of agriculture had admitted that importing countries of the United States had adopted this attitude to await the new announcement to be made on August 1.

Besides rice, the announcement also covers several agricultural products, he said.

Mr Danai claimed that U.S. Secretary of Agriculture Richard Lyng had said that this was one of the reasons why the United States had lost its trade balance on agricultural products after importing countries delayed their orders in anticipation of further price falls to be announced in August.

"Thai rice had faced the same problem after importing countries had delayed their orders in anticipation of price falls from the April announcement," he said.

The rice situation, however, eased after the government intervened with an offer to buy up to 200,000 tons of rice from exporters to push up prices, he said.

He said the government had informed U.S. Secretary of State George Shultz of the intervention and that he seemed satisfied the situation had eased.

Meanwhile, Foreign Trade Department Deputy Director General Pracha Charutrakuachai expressed satisfaction over the surge in rice prices.

Though it is minimal, it's good anyway," he said.

Asked to comment on the exaggeration made in the analysis of the Farm Act, the deputy director general said the announced figure of rice prices of the U.S. Farm Act was untrue.

He claimed the U.S. Department of Agriculture had added other unrealistically high costs such as milling costs in its announced prices.

Mr Pracha said the United States gave two reasons for the increase in prices. They are:

The government's purchase of 200,000 tons of rice from exporters to store Brazil's purchase of a large quantity of rice in the past few weeks.

An offer to again buy between 700,000-1,000,000 tons, of which about 200,000-400,000 tons will be from Thailand while the remaining amount will be from the United States, Pakistan, Uruguay and Argentina.

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CSO: 4200/1197

DAILY URGES WORK WITH U.S. ON FARM ACT IMPACT

BK070228 Bangkok BANGKOK POST in English 7 Jul 86 p 4

[Editorial: "Steps Needed To Take Sting From Farm Act"]

[Text] In the last seven months or so Thailand, however reluctantly, has added a foreign phrase to its vocabulary. It may be difficult to understand, but thanks to the efforts of the Foreign Ministry and all those concerned, now we know the danger that is imminent. If we ask all those who walk the streets, the taxi drivers, or even the beggars, they will be able to tell you what the "farm act" is all about. Indeed, the rice provision in this particular legislation is something for us Thais to be worried about.

Simply put, because of the huge U.S. Government subsidy, Thai rice will be gravely affected. It will not sell; or if it does, it will probably do so at a very low, disadvantageous price and in a much reduced quantity. The Thai side claims that it is unfair for the United States to do this to their "brothers." It is even ridiculous because, while the subsidy would only help no more than 25,000 American farmers, 35 million Thai farmers would be thrown into an abyss of despair.

Now an analysis by the U.S. Department of Agriculture suggests that the adverse effects of the Farm Act on Thailand is "greatly exaggerated." This has to do with ignorance, cultural tendencies, and even local politicking by all concerned now that the general election is only a few weeks away. The Thai side responds, with equally convincing arguments, that the analysis is "untimely" and "distorted." It is true, as director-general Dani Dulalampha points out, that the US$1,000 million subsidy already far exceeds Thailand's total export earnings from rice. And it is also true that while the United States has been criticising all other countries, including the European Community, over farm export subsidies, it is doing the very same thing that it seems a sin in the area of free and fair trade.

It would certainly be jumping the gun if one were to conclude that Thailand was totally right and the United States was totally wrong. Naturally, we think it appropriate that the Thai Government do something about it, instead of sitting back and waiting for events to occur by themselves and just hoping for the best. Up to this point, we can say that neither side is wholly right or wholly wrong. Thailand certainly wishes that its early prognostication was wrong, because it would all be [word indistinct].

However, that would be to miss the most important part. The two sides, especially the United States, have said that they would work together to lessen the impact, if any, of the export of Thai rice. Certainly there must be some impact. The thing for both sides to do is to get to the task at hand instead of indulging in an exchange of acrimonies which would certainly benefit no one.

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CSO: 4200/1197

LIBERAL PARTY LEADERSHIP RESIGNS, OFFICE CLOSED

BK030931 Bangkok BANGKOK WORLD in English 3 Jul 86 pp 1-2

[Text] The Seri Niyom (Liberal), the second largest political party contesting the July 27 general elections, is in trouble with the resignations of its chairman and campaign director and the closure of its election centre.

Party chairman Lt Gen Yutthasak Khlong Truat Rok and campaign director Col Narong Kittikhachon announced their pull-outs and the closure of the party's election centre on Sukhothai Road in separate interviews this morning.

Both party executives said they had been prompted by what they called "total irresponsibility" on the part of party leader Prida Phatthanathabut, former University Affairs Minister.

They said they would campaign individually for the elections. Lt Gen Yuthasak is a candidate for Bang Khen while Col Narong is contesting a seat in Ayutthaya. They claimed that the party's candidates had been "abandoned" so that few have any hope of winning in the polls because of Mr Prida's "irresponsibility."

The Seri Niyom entered as many as 287 candidates, the second largest number after the Democrat Party.

"I have never before in my life known a person who is so totally irresponsible as Prida," Lt Gen Yutthasak, former governor of the National Housing Authority, said.

"He (Prida) is the most unrealiable person I have ever known in my life," he added.

According to Lt Gen Yuthasak, Mr Prieda never helped shoulder any responsibilities as the party leader or as just a member.

Colonel Narong refused to say if the "responsibilities" covered financial matters but Lt Gen Yutthasak said they involved contributions to the party's election funds.

Lt Gen Yutthasak said only he and Col Narong had helped pay for everything, including the expenses of other candidates, while Prida had never honoured his promises.

"I myself have lost millions of baht and can no longer shoulder the expense," Lt Gen Yutthasak said.

In addition to the problem of funds, Lt Gen Yutthasak said Mr Prida had never attended any party meetings and avoided running into members.

"Everyone calls him a 'tomorrow man,'" Lt Gen Yutthasak said of Mr Prida, noting that he had always promised to do things "tomorrow."

With the party's election centre closed, Lt Gen Yutthasak said it was now the responsibility of individual candidates to run their own campaigns.

Lt Gen Yutthasak did not comment on his future but predicted that Mr Prida would be ousted as leader of the party after the elections because "everyone has experienced that he is an unworthy person."

WORLD reporters in Chiang Mai, where Mr Prida is seeking a parliamentary seat, said they had not seen him for some time although his campaign centre on Woa Lai Road remained open.

A close aide interviewed at the centre this morning said Mr Prida was now in the Northeast helping Seri Niyom candidates campaign there.

The Seri Niyom people in Chiang Mai were stunned by the resignations of two key men in Bangkok and said it was probably a problem of funds.

"I just received a telephone call from Bangkok requesting a meeting with the leader and complaining of a fund shortage," a secretary who asked not to be named said.

The secretary said Mr Prida, Lt Gen Yutthasak and Col Narong had agreed in the early stages that "every individual would struggle his own way in the elections."

"It was understood between the three men that the members would have to help themselves because the party has no funds," a close aide added.

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CSO: 4200/1197

DAILY SAYS DEMOCRATS LEAD ON EAST COAST

BK211214 Bangkok BANGKOK WORLD in English 21 Jun 86 p 32

[Text] Campaigning has intensified in the eastern coastal provinces this week and a survey conducted by the WORLD indicated that Democrat candidates were the most popular and had a good potential to win in most constituencies.

The Progressive Party, the National Democratic Party [NDP] and the Social Action Party [SAP] shared a small proportion of parliamentary seats in the region, according to the random survey.

The WORLD spent several days observing the campaigns that are heating up in Trat, Chanthaburi, Rayong, Chon Buri and Chachoengsao provinces where "new faces in politics have usually won in past elections."

"The Democrats which have no real political base in these provinces can this time attain more seats than others in the upcoming election," a WORLD reporter observed.

In Chanthaburi, three Democrats, Thawatchai Anamphong, Sanit Fuangprayun and Prawat Uttamot received maximum support from most influential personalities in the provinces.

Thawatchai and Sanit who hold respectively the post of President and Vice President of the Provincial Council and had launched an intense campaign and most eligible voters favoured them as the winners, the survey indicated.

Democrats have also received direct support from the Muang Chan [Chathaburi town] Development Group, a grouping of gem dealers in the province regarded to have been influential in previous elections both at the local and national level.

They are 24 candidates of eight parties contesting for three MP posts in this single constituency province.

In Trat, the survey indicated that the Democrats' candidate Col Sakhon Kitwiriya, a former Young Turk and a native of Muang District, clearly had the most support.

They are altogether four candidates contesting for a single seat in this province.

In Rayong, Democrat Soemsak Karun and two SAP's candidates Sin Kumphra and Hom Thongprasoet appear to be ahead. Three of them are former MPs.

They are 30 candidates of 10 parties running for three seats available in this single constituency province.

In Chachoengsao, the report said that Democrat's candidates, Deputy Industry Minister Anan Chaisaeng with his son Charun as the running mate are likely to win in Constituency One.

But in Constituency Two, the Democrats face a great challenge from the Progressive Party's candidates, Kraison Nanthanmanop and Pol Sub Lt Dirok Thirasut.

There are 22 candidates of 11 parties contesting for four seats in this two-constituency province.

In Chon Buri, the survey found heavy competition between the Progressive Party, the National Democratic Party and the SAP.

It seems to appear that the five seats available in the two constituencies would be shared between the three parties.

According to the survey, the Progressive Party leader Uthai Phimchaichon can win in Constituency One but a win is unlikely for his two running mates: Ruangrot Ruangrit and Mrs Saowalak Surihathap.

The other two seats in this constituency could go to NDP candidates, Prayot Nuangchamnong and Yuan Wetchakun.

In Constituency Two, the report noted high popularity of SAP's candidates, Nikom Saencharoen and Charun Ngamwithet.

There are 33 candidates from 11 parties contesting in Constituency One and 26 candidates from 13 parties contesting in Constituency Two.

Uthai Manthawon, Deputy Governor of Chanthaburi, remarked that campaign that has been heating up in the province was carried out orderly and peacefully, saying that "Everything is good and there was not a single act of violence."

He believed that should it not rain on July 27, voter turnout in the region can reach a record high.

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CSO: 4200/1197

COMMERCE MINISTRY REPORTS IMPROVED TRADE BALANCE

BK040210 Bangkok BANGKOK POST in English 4 Jul 86 p 28

[Text] Thailand has successfully reduced the trade deficit during the first half of this year by 82.1 percent, or from last year's 36,878.5 million baht to only 6,603.4 million baht this year.

Accordiled [as printed] by the Commerce Ministry's Business Economics Department [BED], the success was due to the country's ability to continuously expand the value of exports, while the volume of imports clearly showed a steep decline as of early this year.

The department stated that during the first six months of this year, the country has exported about 113,896.6 million baht worth of goods, an increase of 15.9 percent or 15,198 million baht compared to the same period in 1985.

Some of the country's major export products, which have shown a strong growth rate, are rubber (19.8 percent), tapioca products (23.8 percent) maize (46.7 percent), frozen shrimp (20.8 percent), canned seafood (35.6 percent) and textiles (20 percent), while the export of rice, tin and sugar between January and June has dropped by 11.3 percent, 43.1 percent and 17 percent respectively.

Other products with a good export growth rate are frozen chicken (62.6 percent), raw coffee (109.4 percent), frozen squid (67.7 percent), electrical circuits (54.7 percent) and ball bearings for electronic products (35.8 percent).

The BED described the country's exports during this period as too heavily based on the industrial sector, which accounted for 40.2 percent of the export total, with a growth rate of 21.2 percent.

The second largest export group falls under agricultural products, with 36 percent of the total, and a small growth rate of only 9.1 percent.

BED pointed out that the fishery industry ranked third among the country's exports, with an export value of 5,407.2 million baht, showing a healthy growth rate of 32.1 percent.

At the same time BED reported that Thailand, during the same period, had imported a total of 120,500 million baht, a drop of 15,0771.1 [as printed] million baht or 11.1 percent, compared to the previous year.

Thailand, according to BED, imported less fuel, capital goods and raw and semi-raw materials, due to the slow-down in the country's production process and reduced investment. The continuously strong yen has pushed the cost of imported raw materials, particularly from Japan, much higher.

Although Thailand managed to reduce the fuel bills this year, about 19 percent or 22,895 million baht of the country's foreign exchange was spent to import fuel, while the import of capital goods still topped the list with 34,945 million baht, accounting for 27 percent of the import total.

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CSO: 4200/1197

BANK OF THAILAND RESCUES BANGKOK CITY BANK

BK030833 Bangkok BANGKOK WORLD in English 9 Jul 86 p 1

[Text] The Bank of Thailand this morning stepped in to help rescue the First Bangkok City Bank [FBCB] by ordering the bank to reduce its capital from 1,365 million baht to 68.25 million baht and then ordering an increase of a new capital by 2,000 million baht.

Governor of the Central Bank Kamchon Sathirakun told a press conference this morning that the FBCB's financial position is not too bad and decided that some help should be given to help improve the bank's position.

The reaction of the Central Bank came this morning after the shareholders of the FBCB yesterday failed to endorse the plan to increase the capital by 2,000 million baht.

Kamchon, exercising his power under the newly-amended banking act, ordered the reduction of the FBCB's registered capital in order to write off parts of the 2,700 million baht debts incurred by the FBCB. That means the par value of FBCB's share is reduced from 100 to five baht.

He also instructed the bank to increase its registered capital again by 2,000 million baht in the form of ordinary shares. He also said that 500 million baht out of 2,000 million baht shares will be undertaken by the Rehabilitation and Development Fund while the Central Bank will try to find new investors to buy the remaining 1,500 million baht worth of new shares.

The Central Bank, he said will also provide a soft loan totalling 3,300 million baht to the bank to help prop up the liquidity of the FBCB.

"The public should not be panic since the bank will continue to operate as usual," Kamchon assured.

Kamchon said the Central Bank will try to find new investors and professional bankers to help manage the bank as soon as possible. He also said any former management personnel which were found guilty will face legal action.

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CSO: 4200/1197

JANUARY-JUNE AGRICULTURAL EXPORTS REPORTED

BK080205 Bangkok BANGKOK POST in English 8 Jul 86 p 17

[Text] Four major export agricultural commodities, namely rice, tapioca products, rubber and maize earned greater income to the country when exports in the first half of this year yielded combined incomes of 33,606 million baht, [words indistinct] baht or 6.47 percent from that of the same period last year, according to the Board of Trade.

A total of 8,513,922 tons of the commodities were exported in the January-June period this year against 7,554,444 tons whipped out in the same period last year, an increase of 949,478 tons or 12.70 percent.

Foreign exchange earning from these four major commodities in the January-June period account [for] about 29.53 percent of the country's earning from its export which totalled about 113,800 million baht.

Rice, which has long been the country's largest foreign exchange earner maintained its position with some 11,381 million baht when some 2,592,023 tons have been exported.

But its exports incomes dropped by 14.68 percent despite an increase of 11.70 percent in the volume of exports over last year when only 2,592,023 tons were exported.

The average export price of rice in the January-June [period] this year was only 4,393 baht per tons against 5,749 baht of the average of the same period last year--a sharp reduction of 23.59 percent.

However, tapioca products exports in the period under review dropped to 3,550,540 tons from 3,919,381 tons of the same period last year, down 9.41 percent.

But earnings from this export in the first half of this year rose to 9,309 million baht from 8,240 million baht, up 12.97 percent.

The average exports price of the products in the first half of this year was 2,622 baht per ton against 2,102 baht of the same period last year--an increase of 24.74 percent.

Rubber exports in the January-June period this year increased by 26.03 percent in volume and 18.48 percent in earnings when a total of 414,250 tons has been exported at 7,955 million baht against 328,695 tons worth 6,714 million baht of the same period last year.

The average exports price of rubber in the first six months of this year was 19,203 baht per ton against 20,426 baht per ton of the same period last year--down 5.99 percent.

Thai maize exports in the first half of this year increased considerably by 98.50 percent in volume and 51.94 percent in earnings when some 1,957,109 tons were exported at about 4,961 million baht against 985,929 tons worth 3,265 million baht in the same period last year.

However, the average exports price of maize in the period under review dropped significantly to 2,535 baht per ton, down 23.46 percent compared to the average of 3,312 baht per ton of the same period last year.

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CSO: 4200/1197

GOVERNMENT PREPARING RICE EXPORT TARGET INCREASE

BK030237 Bangkok THE NATION in English 3 Jul 86 p 1

[Excerpt] The Export Development Committee, meeting yesterday, is preparing to increase the rice export target now set at four million tonnes for this year, amid reports from Thai and U.S. sources that the target could be exceeded by a considerable amount.

A senior Foreign Ministry official said yesterday that international markets are showing more confidence in Thai rice, while a colleague of his in the Commerce Ministry complained that the U.S. Department of Agriculture's first increase in its announced paddy prices is too little and still based on incorrect data.

Danai Dulalampha, director general of the Foreign Ministry's Economic Affairs Department, said that in the first half of this year, Thailand has been able to increase its rice exports compared with the first half of last year, and this reflects the market confidence.

Commenting on the Farm Act, Danai said that the United States ought to be well-informed about marketing, but it has not taken actions that bring benefits to itself. [as published]

He said that the USDA's paddy price reductions in the past encouraged importers to delay buying in anticipation of further price cuts. As a result, Thailand was able to export more rice, he said, but it was low grade rice which the United States does not supply. Neither Thailand nor the United States has been able to sell much high grade rice, he said.

Commenting on the USDA assessment of the Farm Act's impact on Thai rice, Danai said the trouble began with the United States. The immediate impact of the Farm Act was seen before the first price announcement under the act on April 11, he said, when prices sank in advance.

Danai said Thai prices are now increasing, following the government's purchase of 200,000 tonnes of rice for sorting, by about 160 baht per tonne. Prices are also more stable, he said, and if the United States had taken action similar to Thailand's both countries would have been able to sell more rice. The United States should no longer claim that Thai rice prices are low.

Pracha Charutrakulachai, deputy director general of the Foreign Trade Department, told reporters that the Americans attributed this week's increase in the announced paddy prices to the Thai government's purchase of 200,000 tonnes of rice, Brazil's purchase of between 700,000 tonnes and 1.2 million tonnes of rice, and the prospect of China and the Soviet Union also buying rice.

All these factors have strengthened world prices, he said. But even though the United States expects Thailand to export 4.3 million tonnes this year, the Thai Commerce Ministry still regards U.S. price announcements as unfair. Previous announcements caused severe cuts in Thai export prices, Pracha said.

He said the United States still uses a formula to calculate world prices that includes overestimates of milling and transportation costs. The repayment rate at which U.S. farmers can redeem paddy pledged in return for loans is still cheaper than Thai paddy prices. Pracha said this is demonstrated by Brazilian interest in buying U.S. paddy.

He said that in the first six months of this year, Thailand exported 2,592,212 tonnes of rice, an increase of 11.6 percent compared with the first half of last year. He said the total by the end of July is bound to top three million tonnes for sure. Exports in the final five months of the year would exceed another one million tonnes for sure, he said.

Pracha predicted that the export climate will improve after August. This would boost domestic and export prices, he said. This is because of a fall in production and stronger demand from importing countries, especially China, previously an exporting country.

Pracha said the Export Development Committee, meeting yesterday, concluded that Thai rice exports this year will be much better than was at first expected, despite the impact of the Farm Act. At the next meeting, the committee will revise its original export target of four million tonnes, he said.

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CSO: 4200/1197

MOVES TO BOOST INVESTMENT CLIMATE UNDERWAY

BK020239 Bangkok THE NATION in English 2 Jul 86 pp 1, 2

[Excerpt] The government has launched its efforts to repair the damage to the investment climate resulting from the tantalum crisis.

On Monday evening, heads of seven foreign chambers of commerce met Industry Minister Chirayu Itsrangkun Na Ayutthaya, and yesterday the Board of Investment reaffirmed that privileges granted to the tantalum company still apply. The BOI added that if the company increases its investment, additional privileges could be granted.

The meeting with the Chamber of Commerce originated from informal conversation with David Lyman, the president of the United States Chamber of Commerce. Monday's discussions were described as friendly and informal, with participants encouraged to speak.

The foreign chambers, representing U.S., British, West German, French, Australian, Italian and Japanese businesses, sought assurances on four points. They wanted the government to find out who was behind the disturbances, to ensure that those responsible would not get away, to give reassurances that similar incidences would not happen again, and to give some assistance to those described as the innocent victims of what happened.

Chirayu said he explained to the chamber heads that the government had not been aware that the demonstrations would lead to violence on that scale. The government was treating the matter seriously and putting every effort into solving the problems he told the seven business leaders.

In particular, the prime minister has ordered that the situation must be brought back to normal and the culprits must be brought to justice, he told them.

Chirayu said yesterday that many questions were asked and the seven presidents expressed a desire to cooperate in restoring the country's image, and helping to restore investment confidence.

Chirayu is said to have taken every careful note of all the points raised by the seven presidents. These will have to be raised with his Cabinet colleagues because some of the issues do not come under his authority as industry minister. For example, the question of tracking down and charging suspects is a matter for the Interior Ministry, as is the prevention of future unrest--although better means of dealing with environmental objections would also have to be considered.

The chamber presidents noted, however, that the riot had very little to do with pollution and environmental problems. They wanted to know why feelings had been able to escalate to that extent without the government detecting the strength.

/8309
CSO: 4200/1197

BRIEFS

CLASHES NEAR BORDER CONTINUE--Prachin Buri--Fighting between Khmer Rouge [KR] and Vietnamese soldiers went on throughout last night inside Kampuchea opposite Ban Khao Din in Khlong Hat Subdistrict, about 40 kilometres south of Aranyaprathet, a field source reported. Four Vietnamese artillery shells landed near Ban Kaho Din early this morning but inflicted no casualties. KR soldiers of the 302d Division and Vietnamese troops of the 59th Division engaged in a heavy clash at 8.30 p.m. for about 30 minutes. Another clash took place at 4.30 a.m. during which 4 rounds of Vietnamese artillery shells landed in the vicinity of Ban Khao Din. Clashes between the two sides began on Thursday night during which 14 rounds of newly-acquired Soviet-made 152 mm field guns landed at Ban Khao Din, damaging and injuring 3 villagers. Seven more rounds of 105 mm artillery shells landed near the village yesterday afternoon, killing a buffalo in the field. Fighting was reportedly continuing at press time and the Burapha Task Force has been on full alert to cope with the situation. [Text] [Bangkok BANGKOK WORLD in English 5 Jul 86 p 1] /8309

LANDMINES ALONG CAMBODIAN BORDER--Prachin Buri--A Thai villager was seriously injured yesterday when Vietnamese gunners fired three 152 mm shells across the border. Ki Lichiu, 32, was one of 20 people from Kut Hin and Kut Thai villages constructing an irrigation dyke near Khlong Namsai, 67 kilometres south of Aranyaprathet. Shrapnel from the blasts wounded Mr Ki, a Kut Hin villager who was immediately taken to a hospital for surgery. The Burapha Force has ordered the excavation work to stop and soldiers are keeping an eye on the site until it is safe to remove the equipment. Elsewhere in the province border patrol policemen safely dug up six Soviet-made landmines on the Thai side of the border yesterday. Eighteen large spikes were also recovered during a three-hour operation. The search was launched after a request from villagers who were afraid of going out to farm because of the landmines. The search for landmines near Mai Pakhog village, 15 kilometres south of Aranyaprathet, was led by Pol Lt-Col Chairot Hunprakan, head of the sixth BBP [Border Patrol Police] company task force. The Burapha Force said yesterday that about 8,000 landmines were found along the Thai-Kampuchean border during the seven-month period to June 2 this year. [Text] [Bangkok BANGKOK POST in English 8 Jul 86 p 2] /8309

EC TEXTILE ACCORD RENEWED--Thailand and the European Community last week renewed by another four years the textile agreement which saw the quotas of several categories increased by between 7-20 percent an informed source told the BANGKOK POST at the weekend. The source, who was among the Thai mission and had just returned from Brussels, said the new agreement, replacing the present one due to expire this yearend, was signed by Foreign Trade Department Director-General Oranut Osathanon, the mission leader, on behalf of the Thai Government. Describing the new agreement as being more flexible and beneficial to Thailand than the current one, the source said the new four-year deal would see the export quotas of several categories increased an average of 7 percent to 20 percent, with allowance for carry-over increased from 5 percent. He said the new agreement provided more flexibility in transferring or borrowing quotas. The Thai mission had been empowered by the Cabinet in initialling the new agreement with the EC. [Excerpts] [Bangkok BANGKOK POST in English 7 Jul 86 p 13 BK] /8309

'SEVERE' DROUGHT HITS NORTHEAST--Nakhon Ratchasima--Premier Prem Tinsulanon yesterday ordered the Agriculture Ministry to urgently help several northeastern provinces which are facing a severe drought. The premier said he was extremely worried by the drought which is wreaking havoc on more than 500,000 rai of farmlands in this province alone. "I have been having sleepless nights because of the drought," he told a group of farmers who attended a ceremony to open a regional cooperative training centre in Muang District. Prem said the Royal Rain-Making Research and Development Institute has been helping some drought-stricken areas but the weather was not conducive for the operation. Agriculture Minister Naron Gwongwan said maize plantations are being hardest hit by the drought. He said the ministry is planning to spend about 30 million baht in dealing with the drought. [Text] [Bangkok THE NATION in English 7 Jul 86 p 1 BK] /8309

SRV ASKED TO RECONSIDER CGDK PLAN--The Thai Government has urged Vietnam to reconsider its rejection of the latest regional peace initiative proposed by the Kampuchean resistance forces in February. The call was made by Deputy Foreign Minister Arun Phanuphong, who is now attending the ASEAN foreign ministers' meeting in Manila, the Philippines. Mr Arun said the 8-point peace proposal, which was adopted by ASEAN, can serve as a constructive framework for negotiations on an end to Vietnam's 7-year occupation of Kampuchea. He also appealed to the international community to help resettle thousands of Kampuchean refugees in Thailand. Mr Arun said that more than 250,000 people have poured into refugee camps along the Thai-Kampuchean border since 1984, adding that the blatant violations of Thailand's territorial integrity by Vietnamese forces in Kampuchea constantly heightened tensions in the region. [Text] [Bangkok Domestic Service in English 0000 GMT 25 Jun 86] /8309

PRK SHELLING NEAR ARANYAPRATHET--Aranyaprathet--Some 14 houses situated along the Thai-Kampuchean border were damaged and three villagers were wounded last night and this morning after 14 rounds of 152 mm artillery shells fired by the Vietnamese-backed Heng Samrin forces landed in and around Khao Din and Khao Saraphi villages, about 30 kilometres south of this district town. A source said that this was the first time that heavy artillery of this calibre had been used at the border by the Vietnamese. A military report said that the 59th Vietnamese Division were trying to shell the Khmer Rouge 320th Division some 200 soldiers of which had earlier struck at the Vietnamese stronghold located in the Angkor Bal valley and in the vicinity of Damnak Chek village, some 2-5 kilometres from the Thai border. The shelling lasted four hours and after shells landed on Thai soil the Thai side returned with 24 rounds of artillery fire, the source said. [Text] [Bangkok BANGKOK WORLD in English 4 Jul 86 p 32] /8309

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4 AUGUST 1986

Southeast Asia Report

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/12223

HAWKE, INDUSTRY MINISTER OPPOSE IMPORT TAX

BK080756 Melbourne Overseas Service in English 0430 GMT 8 Jul 86

[Text] The national conference of the Australian Labor Party has adopted policy changes which, if implemented, would significantly increase tariffs on imports. However, senior federal government ministers suggested they would ignore the conference resolution.

Meeting in Hobart, the conference called on the federal government to reject plans to reduce trade protection for the textile, clothing, and footwear industries. It proposed consideration of a temporary levy of 1 percent on all imports and quota limit on high-cost luxury goods.

Speakers in favor of the resolution said the issue at stake was the protection of Australia's manufacturing industry which has suffered a decline in investment in the last 3 years. The national conference is the supreme policy making forum of the Labor Party.

The minister for industry, Senator Button, told the conference that extra levys had been shown to be harmful to Australian industry.

[Begin Button recording] I just remember that in 1979 the Fraser government introduced a 2 percent temporary levy on all imports. It is still there. That is part of our problem as well as the Fraser government--the fact that it is still there. I have been trying to get rid of it every year with total and conspicuous failure. [end recording]

The prime minister, Mr Hawke, also criticized the proposal, saying his government has argued hard in international forums against measures which corrupt the world's trading system.

[Begin Hawke recording] There is no country in this world which is paying a higher price for the corruption of the international trading system than Australia. And that is not just farmers. Miners are paying a price, and the people that you represent--the workers--are paying a high price because of the 3 percent slash in national income of this country which in large measure occurred because of the corruption of the international trading system--the intervention in the free trade internationally, barriers of one kind or another to the free flow of trade between countries. And, it would be an exercise in hypocrisy, I suggest, if in fact [words indistinct] while at the same time we ourselves engage in such a process. [end recording]

/9738
CSO: 4200/1231

AUSTRALIA

BRIEFS

RADIOACTIVE LEAK--A residents' group in the southern suburbs of Sydney adjoining the Lucas Heights atomic laboratory says vandalism to part of the installation over the weekend has highlighted the dangers of having such a facility near a residential area. Mrs (Heather Wrights) of the Lucas Heights study group says research centers such as the atomic laboratory attract people who want to make their mark in protest of vandalism. [as heard] The Atomic Energy Commission says the weekend vandalism on a pipeline led to the release of a small amount of radioactive material. That material had already been treated to acceptable limits. Nevertheless, the commission says it will undertake an environmental survey into the immediate vicinity surrounding the nuclear plant. [Text] [Melbourne Overseas Service in English 0830 GMT 14 Jul 86 BK] /9738

COMMONWEALTH GAMES BOYCOTT--The federal government has defended the role of Australia's athletes in the forthcoming Commonwealth Games. A Radio Australia reporter in Canberra, (Graham World), reports: [Begin World recording] The minister for sports, Mr Brown, says Australian athletes are the country's best diplomats. By competing against other Commonwealth countries, he says, the athletes will show regimes, such as South Africa, that all its citizens should have the freedom and opportunity to compete equally. Mr Brown says the government recognizes the boycott will have some negative impact, but fully understands the action taken by those states. He says the boycott would not have occurred if Britain was prepared to consider some Commonwealth action against apartheid and Australia is determined to take a tougher stand at next month's Commonwealth heads of government meeting. [end recording] [Text] [Melbourne Overseas Service in English 0130 GMT 15 Jul 86 BK] /9738

TRAINING AIRCRAFT CONTRACT SIGNED--A contract worth more than $230 million [Australian dollars] has been signed for the production of 67 training aircraft for the Australian Air Force. All but two of the Swiss-designed Pilatus PC-9 aircraft will be built under license by Hawker de Havilland in Australia. The defense minister, Mr Beazley, said the contract represents the biggest peacetime order placed directly by a government with the Australian aerospace industry. [Text] [Melbourne Overseas Service in English 0830 GMT 10 Jul 86 BK] /9738

FEDERAL DEFICIT FIGURES--Government figures show the federal deficit for the financial year just ended is more than $500 million [Australian dollars] higher than estimated. Preliminary figures released in Canberra by the treasurer, Mr Keating, and the finance minister, Senator Walsh, show a budget deficit of about $5,700 million--that's nearly U.S.$3,700 million. The government has partly blamed the increase in the deficit on a fall in the value of the Australian dollar and high interest rates. Compensation to oil refiners for a declining oil price and the government's housing assistance package also added $180 million to government expenditures. The two ministers said the coming budget would be consistent with current economic conditions. [Text] [Melbourne Overseas Service in English 0830 GMT 7 Jul 86 BK] /9738

'BIG MONTHLY DEFICIT'--Australia has run up another big monthly deficit in its trade with the rest of the world. The increase in the monthly trade deficit follows a decision by the international investor agency, Moody's, to review Australia's triple A credit rating. A Radio Australia reporter in Canberra, Elliot Taylor, reports on the trade deficit figures: [Begin Taylor recording] Figures released by the Bureau of Statistics show that last month, the current account deficit totals just over $1,100 million [Australian dollars]. This means that for the financial year just ended, Australia runs a current deficit of $14,335 million--money the country has had to balance the books and thus adding to Australia's international indebtedness. The debts total for the year exceeded the government's original estimate in last August's budget by more than $3,600 million. The deficit on the trade merchandise goods last month was $168 million, with the value of exports largely unchanged from the previous months and imports down less than 1 percent. [end recording] [Text] [Melbourne Overseas Service in English 0430 GMT 11 Jul 86 BK] /9738

TORRES STRAIT TREATY REVIEW--Australia and Papua New Guinea have agreed to hold the first annual review of the treaty which governs the Torres Strait. The Torres Strait Joint Advisory Council, which is made up of 18 officials from both countries, will meet in Cairns in north Queensland next Wednesday and Thursday. Papua New Guinea's minister for primary industry, Mr Iambakey Okuk, recently said that he would seek changes to the treaty where it relates to fishing. He claimed Australians had had the advantage in this area. The Torres Strait Treaty protects fisheries as well as protecting the traditional lifestyle of the region's inhabitants. About 7,000 Torres Strait islanders live in the treaty zone which has been in effect since its signing in December 1978. [Text] [Melbourne Overseas Service in English 0830 GMT 10 Jul 86 BK] /9738

NEED FOR JOINT BASES--The author of a recent report on Australia's defense says that even Soviet military experts agreed joint military bases such as Pine Gap in the Northern Territory contribute to world stability. Speaking inDarwin, Mr Paul Dibb, said high-level Soviet military publications made it clear satellite bases for verification and early warning, such as Pine Gap, could prevent what is referred to as a war based on ignorance. The issue of American defense facilities on Australian soil will be discussed at today's session of the Australian Labor Party conference in Hobart. The party's defense policy states that joint facilities are an essential element for a stable, global nuclear balance. [Text] [Melbourne Overseas Service in English 0430 GMT 9 Jul 86 BK] /9738

UNIONS MUST EXERCISE RESTRAINT--The prime minister, Mr Hawke, has called on Australia's trade unions to exercise restraint. Speaking at the Australian Labor Party's national conference in Hobart, Mr Hawke stressed the need for what he called restraint with equity. He said such restraint was the only way to preserve the prices and incomes accord. The accord is a 3-year-old agreement between the Labor Party and the Australian Council of Trade Unions under which unions have moderated wage claims. [Begin Hawke recording] And I do not believe, delegates, for one moment that the trade unionists of this country want to sacrifice the gains that have been achieved under this approach and policy of restraint with equity. I do not believe for a moment that the trade unionists of this country want to see the burdens of inevitable adjustment that would otherwise occur being borne by the unemployed, by those on fixed income, by those who receive social welfare payments. [end recording] [Text] [Melbourne Overseas Service in English 0830 GMT 9 Jul 86 BK] /9738

CSO: 4200/1231

BRUNEI

POLITICAL PARTY TO HOLD FIRST CONGRESS

BK101211 Kuala Belait THE BORNEO BULLETIN in English 21 Jun 86 p 4

[Text] The Parti Perpaduan Kebangsaan Brunei (PPKB), or Brunei Solidarity National Party, will hold its first general congress next Sunday [29 June] in Bandar Seri Begawan.

At a press conference this week the party, formed in February this year, said its membership had grown but declined to state the exact figure.

The party was formed by a handful of former members of the Brunei National Democratic Party which split late last year following differences over its policies.

The press conference was attended by party chairman Haji Jumat Bin Haji Idris. Vice-chairman Awang Haji Mohd Shah bin Ahmad said the party supports government policies.

"We are based on a platform which emphasizes support for government policies because we feel all that is being done by the government presently is for the benefit of all the people," he said. "We see the constitution, policies and their implementation as quite perfect. We would not support the policies if we felt they were not implemented properly."

Another vice-president, Pengiran Abdul Rahman bin Pengiran Haji Abbas, said: "We do want to work together with the government in all areas of development, especially in the country's economy for the benefit of the population as a whole. We really want to see some of the government's policies properly implemented, especially when it comes to giving priority to citizens. Some employers and firms are still not doing that and in some cases positions which could well be given to citizens are given to outsiders. This is as if citizens are not capable when in fact they are quite capable of doing the jobs."

The party would start campaigning for members after its general congress.

/9738
CSO: 4200/1224

BURMA

ANTIGOVERNMENT GROUPS MAY FORM ALLIANCE

BK300333 Bangkok THE NATION in English 30 Jun 86 p 5

[By Pratya Sawetwimon]

[Text] Leaders of the non-communist National Democratic Front (NDF), an umbrella organization comprising nine armed minority groups in Burma, will meet next month to decide whether they will form an alliance with the Burma Communist Party (BCP) rebels in their struggle against the Rangoon central government.

The decision will be made during the upcoming NDF general meeting which is expected to be held at the headquarters of the Karen National Union at Manaplaw close to the Thai-Burmese frontier opposite the Thai northern province of Mae Hong Son next month, said Nai Nonla, leader of the Mon National Liberation Army.

The general meeting among leaders of the NDF members is also aimed at preparing for the coming general election for the anti-Rangoon front's new president replacing Gen Bo Mya, the KNU president, who will have served his four-year term later this year, according to the Mon president.

After holding their meeting at the headquarters of the Kachin Independence Army (KIA) at Pajau in northern Burma a few months ago, nine delegates of the NDF and members of the KNU, the MNLA, the KIA, the Wa National Army (WNA), the Shan State Army (SSA) of the Shan State Progressive Party (SSPP), the Pa-O National Army (PNA), the Paluang, the Karenni and the Arakanese proceeded to the BCP headquarters at Pang Hsang and met with members of the BCP central committee, including Ba Thein Tin, the BCP chairman, Nai Nonala said in an exclusive interview with THE NATION.

The NDF delegates and the BCP central committee members were expected to discuss the possibility of uniting in an attempt to escalate their joint operations against the ruling Burma Socialist Programme Party government.

Rangoon's stepping-up of military pressure on several groups of ethnic minority rebels, especially the KNU, has brought about this attempt by the rebels to consolidate into a united front and seek an alliance with the communist guerrillas.

However, the plan to form the united front between the NDF and the BCP might be opposed by some members of the non-communist rebels' front and the final decision has to be made in the upcoming NDF general meeting next month.

"I'm not sure about joining the BCP," said the leader of the MNLA which has about 3,000 Mon rebels operating in southern Burma.

The opposition to the plan stems from the fear among the non-communist rebel movements that they would be dominated by the BCP. According to Nai Nonla, the BCP is thought to have about 15,000 communist guerrillas operating in Burma.

The NDF early this year set up three resistance zones against the Burmese government troops in Burma. The KIA, the SSA and the Paluang are in charge of the northern zone while the Karenni, the PNA and the WNA are responsible for the central part of Burma.

The last rebel resistance zone is in the south and is under the control of the KNU, the MNLA and the Arakanese.

Nai Nonla said that the allied forces of the Karen, the Mon and the Arakan on 15 June completed their operations throughout southern Burma to prevent Rangoon from mobilizing its troops in preparation for an attack on the rebels' bases along the Thai-Burmese frontier.

The operations, started in March, were aimed at cutting off the logistics routes of Rangoon's forces to the Thai-Burmese border and to force the Burmese forces to concentrate their soldiers in the towns.

Nai Nonla, who is also president of the New Mon State Party (NMSP) the political arm of the MNLA, reported three big operations in the Burmese interior during the past four months.

The Mon leader claimed that the separatist rebels on 2 April launched an attack on the opposition of the Burmese 61st Battalion in Ye town of southern Burma while another big operation was made on 3 May when two companies of the KNU, two from the MNLA and an Arakanese platoon jointly attacked a training camp of the Burmese soldiers in Sapu District.

Nai Nonla also claimed that the three allied forces, assisted by local cadres, last month blew up and destroyed a railway bridge in the same district, cutting off the logistics transportation route of the Burmese forces.

According to Nai Nonla, it would take approximately two years for Rangoon government to complete repairing the 200-metre-long bridge.

He said that after in [as published] finishing their operations in the middle of the month, the rebels were pulled out of the Burmese interior to the Thai-Burmese border area to help defend some of the KNU bases under Burmese attack.

He claimed that the ethnic minority rebels captured a number of weapons and killed about 60 Burmese troops while about 10 rebels were killed during the four-month operations.

Nai Nonla said the KNU sixth brigade, stationed at Asin opposite Umphang District of Tak Province, came under Burmese attack last week.

He said the 31st and 32nd Burmese battalions have been engaged in the all-out attack on the Karen rebels' base of Asin. The fighting between the rival forces escalated over the weekend, added Nai Nonla.

Nai Nonla said that the latest report from the Asin battlefield indicated that two Burmese companies were [word indistinct] rebels in the Burmese village of Jeyderng near the KNU base last Saturday.

He said the MNLA has dispatched a company of its rebels to help the KNU defend Asin.

The MNLA leader claimed that about 40 Burmese soldiers have been killed in the battle of Asin, however, he did not disclose the rebel casualties. About 700 Karen villagers were reported to have fled the Asin fighting across the border into Thailand.

Nai Nonla also predicted an attack by the Burmese Government troops on the MNLA base at the Three Pagoda Pass along the Thai-Burmese frontier opposite Sangkla District of Kanchanaburi.

/9274
CSO: 4200/1216

BRIEFS

COMBAT ACTIVITIES REPORTED--On 28 May, 13 enemy soldiers were killed in the 3 attacks by the People's Army around (Tin-yu Taung) in Mong Yang field. The People's Army captured 1 G-3, over 200 rounds of ammunition, 3 grenades, and other military supplies. On 7 June, mines planted in (Salon-Wan Tang) region in Kokang District killed two enemy soldiers from the mercenary 109th Light Infantry Regiment and seriously wounded another. On 10 June, a small unit of the People's Army clashed with a platoon from the military government's mercenary 14th Infantry Regiment around (?Mong Lwe)-(Pang Pejo) area. One enemy soldier was killed and others found, including a mercenary sergeant, were seriously wounded. On 15 June, one enemy soldier was seriously wounded from the mines planted around (Kyauk gu) near Mong Hsat. [Text] [(Clandestine) Voice of the People of Burma in Burmese 1200 GMT 1 Jul 86 BK] /9274

PEOPLE'S ARMY ATTACK NEAR MONG TUNG--On 24 June a People's Army unit attacked and smashed two military units from the mercenary 117th Light Infantry Regiment near Mong Tung in central Shan State. According to incomplete reports, 12 enemy soldiers were killed and 2 were wounded during the attack. Ten assorted weapons, a 40-mm mortar, 6 mortar shells, over 700 rounds of ammunition, 8 hand grenades, 10 backpacks, and a large amount of military equipment were seized from the enemy. [Text] [(Clandestine) Voice of the People of Burma in Burmese 1200 GMT 5 Jul 86 BK] /9274

CSO: 4211/71

INDONESIA

POLITICAL SITUATION IN JAKARTA REVIEWED

Suyitno Sukirno Criticizes Suharto

Sydney THE SYDNEY MORNING HERALD in English 27 Jun 86 p 2

[Text] A former Indonesian Ambassador in Canberra, Air Vice-Marshal Suyitno Sukirno, has accused the Government of President Soeharto of systematically stamping out political opposition.

Comparing the situation in Indonesia to the Marcos regime in the Philippines, Air Vice-Marshal Sukirno said: "At least political opposition was allowed under Marcos. All opposition is stamped out in Indonesia."

He added that businesses were controlled and owned by the first family and their cronies ... "and that's only the tip of the iceberg".

In a telephone interview from Indonesia, Air Vice-Marshal Sukirno told Mary Gorman on the Mike Carlton program on Radio 2GB that hundreds of Indonesian political dissidents had been jailed and many had disappeared.

The Indonesian consulate in Sydney later requested a copy os the interview tape from 2GB and also warned the station that it would not be good to play the interview again.

Air Vice-Marshal Sukirno said he supported the Amnesty International claim that widespread arrests had taken place since the 1984 Muslim riots for challenging the Government's version of the riots.

Air Vice-Marshal Sukirno, Indonesia's Ambassador here from 1970 to 1973 and a former deputy chief of the Indonesian Air Force, said the present situation in Indonesia was worse than the political suppression in the Philippines under Marcos.

He claimed that the Jakarta Government had systematically moved to eradicate any opposition not only by arresting those who were critical of the Government but by forcing public servants to sign forms committing their allegiance to the Government political party.

Asked if he saw similarities between the Indonesian Government and the Marcos regime, he replied: "Yes ... yes.

"In many ways. In the business that the businesses are controlled and owned by the first family. And their cronies ... that's only the tip of the iceberg."

He said close associates of Mr Soeharto had enriched themselves through business dealings as reported by David Jenkins in *The Sydney Morning Herald*.

"I have been interrogated for many hours, many times but I stick to my opinion," he added.

The consulate in Sydney also said that that the Indonesian Embassy in Canberra saw the issue as a political one given that Indonesian-Australian relations were down.

Station Ignores Request To Silence Report

Sydney THE SYDNEY MORNING HERALD in English 28 Jun 86 p 3

[Article by Michael Laurence]

[Text] Radio 2GB has ignored a request by Indonesia not to replay a report that is highly critical of the ruling Soeharto Government.

Representatives of the Indonesian Government had asked 2GB not to repeat an interview with a former Ambassador to Australia, Air Vice-Marshal Suyitno Sukirno, first played early on Thursday morning.

Mr Warwick Adderley, the producer of *Mike Carlton Morning*, said yesterday that excerpts from the four-minute interview had been replayed three times and would be played again if considered necessary.

In the interview, Air Vice-Marshal Sukirno claimed the Indonesian Government had systematically stamped out its opposition. He also alleged that the President's family controlled and owned businesses ... "and that's only the tip of the iceberg".

After the interview was first played the Indonesian Consulate in Sydney telephoned 2GB asking it not to repeat it. A transcript was also sought.

"We told them it was not our policy to release tapes or transcripts, but they could make a written request," Mr Adderley said. The consulate was told the interview would be repeated.

The present Indonesian Ambassador to Australia, Mr August Marpaung, said yesterday that he wanted a "closer look" at the interview with Air Vice-Marshal Sukirno. "It may be that we have misunderstood him — English is not our first language."

The Ambassador said that although there was "no truth" in the claims of Air Vice-Marshal Sukirno he was free to express his opinion.

Mr Marpaung said there was a minority in Indonesia which was not in agreement with the Government.

"He cannot be objective about what is going on. He is a committed member of the Opposition.

"In Indonesia he is free to say what he likes provided he does not advocate, or use, violence. He has not been jailed.

"There is always a minority group who does not agree with what the Government is doing."

Air Vice-Marshal Sukirno was Ambassador to Australia from 1970 to 1973.

Peter Hastings writes: Air Vice-Marshal Sukirno is a nice, forthright man who, like a number of prominent Indonesians, including General Nasution, disagrees with the increasingly authoritarian trend of the Soeharto Government.

Sukirno is one of the original group of 50 eminent Indonesians in 1980 to sign P50 (petition of 50), a document criticising Soeharto's policies. It attacked the President's use of the five-point state Pancasila philosophy. Pancasila embodies belief in democracy, God, social justice, equality and unity.

According to the P50 group the President has used Pancasila to attack his political enemies by claiming any criticism is against the spirit of Pancasila. While orthodox Muslims reject Pancasila as a sole basis of belief as the President wants, moderate Muslims, including P50 members, want the Government to slow down its Pancasila implementation.

There is no hint that Air Vice-Marshal Sukirno is any less anti-communist or nationalist than the President or other prominent P50 members. They simply want to open the political system to wider debate.

I last saw Air Vice-Marshal Sukirno in Jakarta last August.

He was very upset over the Dharsono trial and said that he expected that he, General Ali Sadikin and other Soeharto critics would be arrested on subversion charges.

General Dharsono, one time commander of the crack Siliwangi Division, was charged with sedition and attending an illegal meeting at which Government critics planned a campaign of violence following the Tanjong Priok riots of September 1984.

Dharsono has since received a seven-year sentence.

The P50 critics are mostly older men belonging to an earlier, more liberal period of Indonesian history. Few foreign observers I met in Jakarta last year believed that those charged were guilty of more than being critics of the wrong sort, namely former military men.

It is difficult to guess what will happen to Sukirno. He is a game little man and he will fight. In a way he is a warning that while the President has achieved extraordinary success in bringing stability and economic development to Indonesia over the past 20 years, he still has his critics.

/13104
CSO: 4200/1228

INDONESIA

CURRENT ANTICORRUPTION DRIVE DESCRIBED

Sydney THE BULLETIN in English 1 Jul 86 pp 80, 81

[Article by Peter Hiett]

[Text] THE INDONESIAN government appears to be gearing itself for a crackdown on crime and corruption — a significant move with preparations already under way for the general election due early next year.

The first signs came at the end of last month, when the official news agency Antara floated a story that the chairman of the Contractors' Association had complained that his members were required to pay illegal commissions to government officials. This was a surprising charge to make — not because it was untrue, which it was not — but because this was the very accusation levelled against the president's wife, Tien Suharto, in *The Sydney Morning Herald* in April.

The paper's story caused a diplomatic rift between Canberra and Jakarta which has not yet healed.

However, other local newspapers quickly elaborated on the Antara report — a sure sign of official approval, according to analysts here. Subsequent reports said an investigation was being mounted into one project in north Sumatra where bribes accounted for 29 percent of the total cost.

Suddenly the campaign gathered pace with a series of meetings at ministerial level. They culminated with Public Works Minister Suyono Sostrodarsono briefing President Suharto on the issue. The minister later quoted Suharto as ordering contractors to simply stop paying bribes. Similar orders have also come from various businessmen's organisations.

At the same time, a second front has been launched against smuggling. The government last year opened its attack on inefficient and corrupt practices at ports by sacking half of its customs officials and appointing a Swiss firm to do their work instead. A number of cases have been publicised recently of smuggling — either by changing the contents of crates after they have been inspected, or by splitting large consignments into smaller ones which do not attract duty.

The powerful commander-in-chief of the armed forces, General Benny Murdani, said that Suharto defined this as subversion — a crime which carries the death penalty in Indonesia. And that definition found instant support from parliamentarians and businessmen. The most interesting comment came from the leader of the Moslem PPP party, Sudardji, who provided a link to corruption. He said one of the reasons for the prevalence of smuggling — apart from Indonesia's huge area — was the susceptibility of its bureaucrats to bribery.

The government audit agency, in its most recent report, said it had submitted reports to the attorney-general of official corruption in 1985 involving $36 million. But that is only a tiny fraction of the real level — Indonesian vice-president General Umar Wirahadikusumah once estimated that waste and corruption accounted for 30 or 40 percent of the state budget.

Foreign businessmen often complain about the number of palms they have to grease to be able to function —

and here is probably one reason for the embryonic crackdown. Indonesia's economy has been badly hit by the halving of oil prices since last December and the government has been trying to lure foreign investors by dismantling protectionist measures. But many are put off by tales of a high-cost economy and the corruption Indonesia could afford when it was rolling in oil money, but cannot with oil prices at $13 a barrel.

Some analysts also believe there is a strong political element to the reforms. The strength of Indonesia's reprisals after *The Sydney Morning Herald* article suggests the government had been hit on a highly sensitive spot. Suharto himself is presented as a Mr Clean, and, by publicising action against corruption, the government is doing no harm at all to its own party, Golkar, less than a year before the elections. □

/13104
CSO: 4200/1228

COMMENTARY DEFENDS EXECUTION OF AUSTRALIAN DRUG TRAFFICKERS

BK090953 Kuala Lumpur International Service in English 0800 GMT 9 Jul 86

[Station commentary]

[Text] The Malaysian external affairs minister, Tengku Ahmad Rithauddeen, has expressed his confidence that the recent execution by Malaysia of two Australian citizens, convicted for drug trafficking, will not affect relations between Malaysia and Australia.

The Australian Government has considered Malaysia's rights as a sovereign nation to enforce its laws in accordance with its own judicial system. The two Australians were arrested, charged with drug trafficking, and tried by the high court of Penang. Malaysia follows the British system of criminal jurisprudence, by which the guilt of accused persons has to be proved beyond all reasonable doubts. The trial judge was satisfied that the two men were guilty. They were sentenced to death by hanging, which is the mandatory requirement under the drug laws.

The Supreme Court of Malaysia heard their appeals and dismissed those appeals. Finally, a plea was made for executive pardon, but the Pardons Board did not grant their appeals. Therefore, every channel was used and all remedies were exhausted. The trial received considerable attention from the overseas media.

Allegations have been made of Malaysia following the so-called barbaric practice of hanging people for drug trafficking. What these accusers fail to look into is the seriousness of the drug menace. There are thousands of youths who are condemned to a life of utter misery because of drug addiction. The Malaysian Government and the Malaysian community want to be free of the drug menace. Our proximity to the notorious Golden Triangle region has turned us into a veritable front-line state in the war on drugs. As part of the antidrug policy, the government of Malaysia imposes the death penalty on those convicted of drug trafficking.

It is appropriate to mention here that the Australian External Affairs Department itself circulates information on the severity of the drug trafficking laws of Malaysia. Ignorance of the law is no excuse, but in this instance, both the governments of Malaysia and Australia feel that due warnings have to be upheld about the death penalty. If, after all these warnings, any person takes the risk of bringing drugs into Malaysia for commercial gain, he must be regarded as being willing to put his life in peril.

Doubtless there are countries that have abolished the death penalty and they have their reasons for doing so. It is not logical nor just, however, to expect another country to change its laws or its legal system simply to conform to the notion of justice of one's own country.

There are forums available for influencing public opinion and political leadership on law reforms, but it is not appropriate to make those demands and claims in connection with an appeal to the Pardons Board.

Malaysia has always welcomed visitors and tourists, but it does not extend a welcome to drug traffickers. Like all other sovereign nations, it has a right to make its own laws and to enforce them. There is much merit in the comment of the New Zealand prime minister that the recent executions have warned people not to foolishly risk drug trafficking in Malaysia. The Malaysian Government and people are confident that their viewpoint will be respected by all right-thinking persons.

/9738
CSO: 4200/1222

MALAYSIA

RADIO COMMENTARY ON PROPOSED ASEAN COMMON MARKET

BK141145 Kuala Lumpur International Service in English 0800 GMT 14 Jul 86

[Station commentary]

[Text] The establishment of a common market among the six members of the Association of Southeast Asian Nations or ASEAN, has once more become a topic for animated discussions among business people in this region. The common market idea figured prominently in the recent talks that brought together in Jakarta a representative cross section of ASEAN commercial and industrial leaders. They have made a forceful recommendation for a common market. They have also highlighted the problems that will arise in the near future as competition increases from industrial giants like Japan, China, India, and the European Community.

Earlier this month, a British junior minister had also stressed the value of greater economic cooperation culminating in a common market for ASEAN. There is no doubt that in its 19 years of existence, ASEAN has built up institutions and practices that have been conducive to the establishment of strong political and economic banding together of the world's industrialized nations and the protectionist policies that prevent a liberal marketing of goods from the developing nations [sentence as heard].

The idea of creating a more permanent body to look into the problems and aspirations of the south was mooted in Harare last November and in Kuala Lumpur in early May this year. It has now become more than a mere idea as Malaysian Prime Minister Dr Mahathir Mohamed took charge of the steering committee to establish the proposed commission. Further development had been reported with the appointment of some members to serve on the South Commission. This body will gain very considerable stature from the fact that is includes the Commonwealth Secretary General Sir Shridath Ramphal. The Commonwealth includes a large proportion of Third World nations and it has accumulated much experience in trying to deal with world economic disparties and numerous other complex problems, such as unemployment, youth affairs, and transfer of technology. The Malaysia prime minister's perception is that the nations of the south have common problems and many of them can only be tackled from a position of unity and determination. Also, there ought to be a decision concerning the self-interest of the more powerful nations that may not be prepared to accept many changes in the current world economic situation. The Malaysian prime minister had to wage a lone and hard battle some years ago when he brought up the topic of Antartica and its resources to the UN General Assembly. Today, his viewpoint commands wide acceptance among the nations of the south. Therefore, what is needed is, apart from vigilance and unity, a definite sense of purpose. The South Commission itself comprises intellectuals and scholars. Its first task would be the preparation of a program of action for practical South-South cooperation.

ASEAN has given its backing to the South Commission and we can confidently look forward to more positive developments even before the summit conference of nonaligned nations in Harare, Zimbabawe, in September.

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CSO: 4200/1222

FORMER OFFICIAL TO VIE FOR UMNO YOUTH POST

BK121137 Hong Kong AFP in English 1125 GMT 12 Jul 86

[Text] Kuala Lumpur, 12 Jul (AFP)--Lawyer Suhaimi Kamaruddin Saturday announced his bid for the presidency of the influential youth wing of Prime Minister Mahathir Mohamad's United Malys National Organization (UMNO).

Mr Suhaimi, 46, a former deputy minister until he was sacked by Dr Mahathir in July 1984, said he was accepting nominations to contest the presidency because it was time for UMNO youth to revert to its role as "the conscience of the people."

He said he was challenging Education Minister Anwar Ibrahim for the post because the 39-year-old Mahathir confidant had not championed the cause of the helpless or spoken out against injustices as a result of which "Malaysia today is beset with so many problems."

UMNO with some one million Moslem Malay members, is Malaysia's largest political party and dominates the ruling 13-member national front coalition. It will hold its biennian elections on 31 July.

Mr Suhaimi--who led UMNO youth from 1976 until defeated by Mr Anwar in 1982--is the second candidate to enter the fray. Last Thursday bank executive Syed Hamid Albar said he would fight Mr Anwar for the presidency.

Mr Suhaimi told a news conference that the president of UMNO youth should be prepared to be unpopular with UMNO's top leadership. "We have reached a crossroads. The party must decide which way it wants to go," he added.

Political observers saw his remarks as a clear attack on the close relationship between Mr Anwar and Dr Mahathir who brought the former student leader into the cabinet three years ago.

UMNO sources said both Mr Suhaimi and Mr Hamid would draw support from backers of Dr Mahathir's estranged former deputy Musa Hitam who quit the cabinet and powerful Home Ministry in February.

It was likely that one would withdraw from the contest to give the other a better chance against Mr Anwar, who has had a meteroric rise within UMNO and the government, the sources said.

"They would have little chance otherwise," a party insider said.

Political observers also say the fight for the UMNO youth leadership has developed into a proxy battle between Dr Mahathir and Mr Musa--although the party's top leaders deny this.

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CSO: 4200/1222

MALAYSIA

BRIEFS

MIRAGE FIGHTERS DEMONSTRATION--Kuala Lumpur, 1 Jul (BERNAMA)--France is keen to sell its supersonic fighter aircraft--Mirage 2000--to Malaysia, Yves Robins, a representative of Marcel Dassault Aviation, the makers of the aircraft, said [word indistinct]. He hoped that the Malaysian Government would consider purchasing the "third generation" fighter planes in its next development plan. Since the aircraft came into operation in 1984, besides France, five other countries--India, Abu Dhabi, Egypt, Peru, and Greece-had equipped their air forces with the fighter planes, he told reporters here. Two of the aircraft from the French Air Force would be here for three days beginning Tuesday to demonstrate for the Royal Malaysian Air Force (RMAF) key personnel. The "tactical flight manoeuvres" at the Subang Airbase, about 20 km from here, by the Mirage 2000, a single seater and a two-seater trainer version, Wednesday will be witnessed by senior RMAF officers. The planes, capable of exceeding twice the speed of sound, flew in here from Jakarta after participating at the Jakarta Air Show. [Text] [Kuala Lumpur BERNAMA in English 1335 GMT 1 Jul 86 BK] /9274

UK OFFICIAL ON TRADE, STUDENT AID--Britain has expressed its strong desire to increase its volume of trade with Malaysia. It hoped that the current flow of commercial relationship between the two countries can be further strengthened and more business links [words indistinct]. Its minister of state in the Foreign and Commonwealth Office, Mr Timothy Renton, said this at a news conference at the end of his 3-day visit to Kuala Lumpur today. He also said that the British Government will continue its special student-support scheme in Malaysia next year. Five million ringgit have been made available for this purpose. It is also prepared to increase the amount in scholarships and award scheme for Malaysian students. [Text] [Kuala Lumpur Domestic Service in English 1130 GMT 1 Jul 86 BK] /9274

ISLAMIC BOOK BANNED--The minister of home affairs has banned the book entitled: "Hadith: A Re-evaluation" by Dr Kassim Ahmad. In a statement, the ministry says that the move is taken after a careful study of the book. The ban is also to safeguard national and public interests. [Excerpt] [Kuala Lumpur Domestic Service in English 1130 GMT 7 Jul 86 BK] /9274

MAHATHIR ON LANGUAGE CRITERIA--The Prime Minister Datuk Sri Dr Mahathir, has reminded certain groups in the country not to make the national language policy a controversial issue. He said the national language, which has the Malay language at its core and which has been made the official language of the country, will not make anyone who accepts and utilizes it a Malay. Datuk Sri Dr Mahathir was addressing the opening of a national language convention at the University of Malaya, near Kuala Lumpur. According to him, the acceptance of the national language by all groups in the country will not change the race of that group, on the other hand they will be permitted to continue using their respective mother tongues. [Excerpts] [Kuala Lumpur Domestic Service in Malay 1230 GMT 14 Jul 86 BK] /9738

REACTION TO HAWKE'S STATEMENT--The Conference of Speakers takes a serious view of Australian Prime Minister Bob Hawke's description of Malaysia's executions of convicted drug traffickers, Brian Chambers and Kevin Barlow, as barbaric. Conference Chairman Tan Sri Mohamed Zahir Ismail said all speakers in attendance expressed regret at Mr Hawke's statement over the hangings of the two Australians in Pudu prison, Kuala Lumpur, on Monday [7 July]. He told newsmen in Shah Alam, Selangor, the speakers thought that Mr Hawke's statement gave the impression that Australia belittled Malaysian law and considered the capital punishment meted to the two as uncivilized and unsuitable for this day and age. The speakers of the conference, which ended yesterday, unanimously passed an emergency resolution expressing their grave view of the statement. Tan Sri Zahir, who is speaker of the House of Representatives, said the conference felt that such a statement should not have come from a national leader, who upheld the law. The statement had also touched on the sovereignty of Malaysia's law and legal system. He disclosed that the conference also decided to convey its stand on the matter in a protest note to the prime minister, Datuk Sri Dr Mahathir Mohamed, at the end of this week. Copies will be forwarded to the Foreign Ministry to be sent by telegram to the Australian Prime Minister's Department. [Text] [Kuala Lumpur International Service in English 0600 GMT 9 Jul 86 BK] /9738

CSO: 4200/1222

EDITORIAL EXAMINES U.S. MILITARY AID PLANS

HK150611 Manila MANILA BULLETIN in English 14 July 86 p 6

[Editorial: "Military Aid"]

[Text] A request for the appropriation of $150 million in military aid for the Philippines is pending in the U.S. Congress. In view of the insurgency in this country and the popularity of President Aquino in the U.S., the request will likely be approved.

That amount will go a long way toward strengthening the Armed Forces, which are badly in need of equipment, such as helicopters and weapons systems. The assistance will beef up the morale of the soldiers in the field.

The U.S. Government readily comes to the aid of countries which are endangered by communism. Regardless of the niceties of international law, it tries to prevent countries from falling into communist hands. One extreme example is Vietnam. The attitude has not changed. Witness the funding of the contras in Nicaragua.

There are special reasons for granting military aid to the Philippines. One of them is the utilization of the bases at Subic and Clark--the largest installations of their types outside the continental U.S. It would take some doing to persuade the U.S. Government to leave these bases.

The U.S. Government thinks the growing strength of the communist insurgents in this country is a threat to the government and to the bases. It will therefore do something in order to minimize, if not eliminate, the threat.

It will continue to give military aid in amounts it thinks is reasonable even as it monitors the developments at the insurgency front.

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CSO: 4200/1230

BEIJING SYNDICATE SAID RESPONSIBLE FOR FAKE VISAS

HK150623 Manila THE NEW HERALD in English 14 Jul 86 p 1

[Text] A syndicate operating in Beijing is engaged in the faking and selling of visas to the Philippines, the Commission on Immigration and Deportation (CID) disclosed yesterday.

CID investigators said they were checking reports that some of the ring members operate inside the Philippine Embassy in the Chinese capital.

Intelligence reports reaching CID said that some aliens who have been granted fake visas have "derogatory records" in China and were able to come here by using aliases.

CID said that the unrestrained entry of fake visa holders has swelled the number of overstaying and undesirable aliens.

To stem the tide of fake visa holders, the CID imposed stricter primary inspection of incoming Chinese nationals and other restricted aliens, such as Taiwanese, Macao-Portuguese and Hong Kong-British subjects.

Sources said that the entry of fake visa holders became unrestrained in the latter part of the incumbency of former Immigration Commissioner Joaquino Chipeco when primary inspection of incoming PROC [People's Republic of China] nationals was allegedly taken from the intelligence division and given to the immigration division.

Sources said that the immigration division officers were not able to detect fake entry visas for lack of proper training and experience in distinguishing counterfeit entry papers.

The CID has the names of 16 Chinese nationals with fake visas. CID said that the Ministry of Foreign Affairs has no record of Zohtir having secured visas from the ministry.

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CSO: 4200/1230

REPORT EXAMINES JAPANESE LOAN, GRANT AID

HK110643 Manila THE MANILA EVENING POST in English 9 Jun 86 pp 1, 8

["Special Report" by Rene G. Caparas: "Japan Giving More Aid to RP"]

[Text] When the U.S. left Vietnam in disgrace, the world power began tapping Japan to become Asia's "newest policeman." Japan politely told the U.S.: "No. Thank you."

Japan instead embarked on what world economists described as "an economic miracle"--the mass production of quality goods to compete with U.S. products in Europe, Africa, and Asia.

As Japan's economy continued to boom, there emerged a strong expectation that it should share the burden in the world affairs and make a more active contribution to development assistance, especially in the Third World.

To help developing countries, Japan supplies them with the necessary capital and technology. This actively is known as "economic cooperation."

Last 30 May, Finance Minister Jaime Ongpin and Takashi Hosomi, president of the Overseas Economic Cooperation Fund (OECF), signed an agreement where Japan granted the Philippines 49.50 billion yen ($283 million) in loan aid and 8.178 billion yen ($47 million) in grant aid. This is commonly referred to as the 13th yen loan package.

As early as 9 October 1985, the Japanese Government has pledged through the Embassy of Japan in Manila its willingness to assist the country in its recovery program and stabilization efforts. The package includes 11 priority projects loan and a commodity loan, four of which were shelved.

The project loans were (with corresponding budget):

1. The rural water supply project (2,555 million yen or $11.9 million) involves the construction of deep wells and water supply systems all over the country, particularly in the rural areas. This is the third phase.

2. Nationwide air navigation facilities modernization project (Phase II), (7.595 million yen or $35.3 million). Phase I of this project has already been implemented under the 7th yen loan package. Phase II will modernize the facilities of all airports to provide smooth and safe navigation of international and domestic flights.

3. Flood forecasting and warning system for dam operation project (phase II), (3,988 million yen or $18 million). This will use five dams and reservoirs in Central Luzon to control flood by establishing an integrated flood forecasting and warning system for dam operation.

4. Maritime communication project (148 million yen or $7 million). This will finance engineering services to provide adequate, efficient and stable public communication service to maritime districts in the country.

5. Metro Manila circumferential road No. 3 (1,439 million yen or $6.7 million). This will improve the roads in Metro Manila to reduce traffic congestion on Epifanio de los Santos Avenue (EDSA) by constructing or improving a parallel road adjacent to the area.

6. Pampanga delta flood control and irrigation project (705 million yen or $3.3 million). To increase rice production in Central Luzon and minimize flood damage, the loan will finance engineering services for the installation of a flood control system in the western side of the Pampanga River.

7. Nationwide ice plants and cold storages network system (175 million yen or $8 million). This will improve the cold storaga facilities and marketing system by supply ice required for transporting and marketing of fish and stabilizing fish prices by storing and preserving surplus fish. The loan will finance the engineering services of the project.

Four project loans were discarded by the Philippine Government for further study and research. These were the Philippine-Japan Friendship Highway improvement project (Phase II); the provincial water supply project; the regional telecommunication development project; and the floating unloader project. Philippine consultants said these four were not priority projects and needed more time and further study.

The commodity loan amounted to 16,473 million yen or $76.6 million. The loan will be used for the importation of goods urgently needed by the Filipinos to stabilize the economy which shall be agreed upon by both the Japanese and Philippine Governments. These goods are not consumer goods, but machines, equipment, and fertilizer products.

The package also includes debt rescheduling amounting to 6,000 million yen or $27.9 million. If the Philippines cannot forward any repayment in due time, this loan shall beused to offset any maturity payments.

Japanese Embassy officials said the whole package is payable in 30 years, with 10 years grace period, and interest rate of 3.5 percent annually.

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CSO: 4200/1230

PHILIPPINES

FRG TO PROVIDE ECONOMIC, TECHNICAL AID

HK150413 Quezon City BUSINESS DAY in English 14 Jul 86

[Article by Gethsemane M. Selirio]

[Text] Bonn--The Philippine Government will receive this year a total of $22 million (DM48 million) in new economic and technical aid from the Federal Republic of Germany, including a $3-million (DM6-million) assistance for the rehabilitation of the church-run Radio Veritas.

The new package of financial and technical assistance from West Germany--the second West European country in the past week to make good a pledge of financial support to the Aquino Government--is contained in an agreement signed Friday in Munich by Vice-President Salvador H. Laurel and German Federal Minister for Economic Cooperation Juergen Warnke.

Of the total new money, $11 million (DM25 million) will be for the continuation of existing German-assisted programs, $7 million (DM15 million) for technical cooperation and $1 million (DM2 million) for non-project related scholarships. A grant of $3 million has also been committed for the restoration of the transmitter facilities of Radio Veritas which were destroyed by Marcos loyalist troops last February.

The Philippine and West German governments also agreed to reprogram some $8 million (DM40 million) for projects that are "effective in the short run."

In his statement during the signing of the summary record of Philippine-West German talks on development cooperation, Laurel said the agreement demonstrates the sincerity of West Germany in assisting the new government of Corazon C. Aquino overcome the country's economic problems.

Laurel also said that in line with the government's economic recovery program, financial resources from friendly countries like Germany, including official development assistance (ODA), must be channelled to programs which are "short-gestating, quick disbursing and which have direct and strong impact on employment and income generation."

These programs should be geared mainly to the rural areas where two-thirds of the Filipinos live, said Laurel, who is also the Philippine foreign minister.

"By enhancing employment and livelihood opportunities especially in the rural areas, we expect to propel a demanding economic recovery through increased incomes and purchasing power from our people," he said.

According to the summary record obtained by BUSINESS DAY, the only precondition for the quick use of the new money and the reprogramming of the old financial commitments is for the Philippine Government to submit "without delay" to the German Government the project documentation.

The German aid would be provided under the following terms and conditions, which a Philippine official noted as quite "nil" compared to other foreign loan and technical agreements: 30 years maturity including a 1-year grace period and an interest rate of 2 percent per annum.

Aside from the short-run employment programs, the two governments also agreed to cooperate in future on the following projects: a telecommunications project in the Ortigas-Cainta area; a load control center in Mindanao; infrastructure in small islands; processing, handling and storage facilities for grain; the rehabilitation of the Sucat power station; and transformer stations in Manila.

The negotiations on the details of the programs will be held in Manila early next year after the Philippines has adopted its new development plan.

Not included in the summary record is the West German Government's expressed intent to donate some $50,000 for the victims of the recent typhoon in the country.

To lay the groundwork for future assistance to the Philippines, the German Government is sending a team of experts to the country on 28 July to study current economic conditions and to assess the investment climate.

The German mission will be led by Otmar Emminger, former chairman of the Federal Bundesbank, and Dr Ertel, former minister of agriculture.

A study will be prepared by the German team of finance experts which shall serve as the working document for a symposium on Philippine-German trade and business to be held in Manila this October. The October meeting will be preceded by the ASEAN-European Economic Community summit in Jakarta.

The signing of the agreement for the German economic and technical aid to the Philippines highlighted the five-day official visit of Laurel to Germany. Laurel called a meeting of all Philippine ambassadors to Europe yesterday.

/9738
CSO: 4200/1230

AQUINO APPROVES GOVERNMENT SALARY HIKES

HK120021 Manila Far East Broadcasting Company in English 2300 GMT 11 Jul 86

[Text] President Aquino has approved salary increases for government personnel. Here is (Art Pavilion) for that report:

[Begin recording] President Corazon Aquino has approved a 10 percent salary increase for all government employees and 20 percent salary increase for all public schoolteachers to enable them to cope with the increased cost of living. The adjustments are aimed at benefiting some 885,274 of the government's 1 million personnel, including teachers, soldiers, health workers, policemen, and extension workers, among others, and will cost the government some 1.634 billion pesos in a 6-month period.

The increases, which took effect last 1 July 1986, were recommended by Budget Minister Alberto Romulo and approved in a cabinet session on 9 July.

President Aquino had earlier appealed to the teachers to postpone their planned mass action for 16 July. With the 20 percent increase, a schoolteacher's salary will be upgraded to 1,837 pesos a month, because of an additional 241 pesos in base pay and 150 pesos in cost of living allowance. [end recording]

Meantime, the 17,000-strong Manila Public Schoolteachers Association or MPSTA is expected to call off its planned strike on 15 July following an assurance from Budget Minister Alberto Romulo that their demands will be granted. MPSTA president (Frederico Ricafod) said he will convene the different MPSTA chapter presidents to lay aside the nationwide mass action.

In a meeting with MPSTA officials yesterday [11 July], Romulo said their demands for a 10 percent salary increase will be given aside from the 10 percent increase in basic salary President Aquino approved last Wednesday for all government employees.

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COLUMNIST COMMENTS ON 'EARLY' LAUREL FOR PRESIDENT BOOM

Quezon City ANG PAHAYAGANG MALAYA in English 31 May 86 p 4

[The "Please Pass The Salt" column by Armando J. Malay: "An Early Boom for Doy"]

[Text]

Is a Doy-for-President boom on this early? With Corazon C. Aquino occupying the presidency for less than four months and with a six-year term ahead of her, I notice that all speakers in any gathering where Doy Laurel is the guest of honor, always mention that he is the next President of the Republic, and such mention always elicits wild applause from the audience.

I got that impression when the "Avante, Filipino" Movement was launched May 22 at Philippine International Convention Center and last Wednesday when Laurel hosted a dinner for his fraternity brothers of the Upsilon Sigma Phi at Club Filipino. The enthusiasm displayed for Doy on both occasions would make one think that a presidential election is only a month away. Then only last Thursday, it was reported that Laurel is proposing to Cory Aquino a "parallel presidency." He wants to be given three functions which go beyond his present "ceremonial" role.

The first two extra functions Laurel wants to discharge look harmless enough: "1. To assist the President in the formulation of national policies and programs and in overseeing their implementation; (2) To keep the President currently informed of the political, economic, social and peace and order conditions in the various regions and parts of the country."

But the third function Doy seeks could be seen as a threat by many ministries and offices and agencies: "3. To help supervise and control certain offices and funds which entail negotiations and interactions with foreign governments and institutions, and to oversee the progress and status of foreign assisted projects."

Today there are ministers that confer directly with the President on matters involving foreign governments and institutions, but under function No. 3, the vice president would help supervise and control such funds and offices which negotiate and interact with foreign governments and institutions. Naturally there is concern that beyond helping, the V-P's office could directly be controlling. If this comes to pass, can endless squabbles be far behind?

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COLUMNIST SEES AQUINO'S FIRST HUNDRED DAYS AS 'FAILURE'

Cebu City VISAYAN HERALD in English 9 Jun 86 p 3

[The "Bombshell" column by Atty Vicentes Del Rosario: "Cory's 100 Days: A Failure"]

[Text] There is a practice in the U.S. followed by the media not to attack or criticize the new administration so as to give it time to organize its cabinet and plan its activities and economic policies for its duration provided by law. This practice has been followed here in our country.

Cory Aquino's first 100 days in office have just lapsed. When she was interviewed by foreign and local correspondents, she said that she rated her performance in office as 85%. This, of course, is self-serving. We, the people, who are directly affected by her role as President should judge her performance.

What has President Aquino achieved during her first 100 days in office? Was she able to organize a good and effective cabinet? Was she able to solve or even plan for solutions to the economic crisis we are now in? Politically, was she able to restore democracy to our country? Was she able to restore peace and order to the nation?

As to the first question, it is public opinion that she had formed a bad cabinet composed mostly of radicals. So bad that in her cabinet meetings, chaos often results and very little good decisions were made. Pertaining to the economic crisis, she has not only failed to solve it; in addition, she was unable to present a plan to remedy the situation. This indeed is 100% failure. During the first 100 days in office, she did nothing but to send her finance minister to the U.S. to ask for a loan of more than $5 billion, an imitation of Marcos' propensity to borrow money from foreign sources.

Politically, instead of following or imposing the 1935 constitution, she aped or imitated the Marcos dictatorship with the only difference that hers, according to herself, is designed to restore democracy in a year's time. But nevertheless, it is a dictatorship that is not to the liking of our people who love democracy. And what is disgusting to many is that she assumed jurisdiction and control over all offices and officials created by her predecessor under the 1973 constitution and because of this, her government is now planning to appropriate P110 billion--more than any budgetary appropriation made by Marcos.

The only achievement President Aquino had accomplished is the restoration of the writ of habeas corpus, release of political prisoners and a guarantee to all of their human rights and freedom. But this, to my point of view, is not an achievement because by one stroke of the pen she could easily achieve it in time. It is my honest opinion that Pres Cory Aquino's first 100 days in office is an utter failure.

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BUSINESS DAY'S CACHO-OLIVARES ON DISILLUSION WITH AQUINO

HK150411 Quezon City BUSINESS DAY in English 14 Jul 86 pp 4, 5

["My Cup of Tea" column by Ninez Cacho-Olivares: "Bursting the Bubble"]

[Text] Every married or even unmarried couple that has been on a honeymoon knows that such a state of bliss does not last forever. I suppose that this is true even with newly elected and highly popular heads of state. They too realize that their honeymoons with the electorate and the press can only last for so long.

In the case of Mrs Corazon Aquino, the free-wheeling and vociferous Philippine press accorded her the traditional honeymoon which officially ended after her 100th day in office. During that period, the press generally glossed over her mistakes, her indecision, her vacillation over certain issues, and as a whole forgave Mrs Aquino for her inexperience in manning the ship of state. The press placed the large blame mainly on her cabinet ministers.

Furthermore, in her case, the press remained still more or less sympathetic to her even after the honeymoon. There were perhaps reasons for this. When she took over the reins of power, the machinery of government was in chaos, principally brought about by the plunder, then the abrupt departure of the autocrat Marcos. Almost no time was given her to form her government and to restore order in the government machinery. Thus, when presidential gaffes were inevitably committed, hardly anyone ridiculed her. When her ministers in her shaky coalition openly bickered and spoke to the media in a bable of voices, thus succeeding in giving the public the impression that the president was hardly in command, many, including some media persons, felt that Mrs Aquino was still feeling her way through and that given more time, she would crack the whip and hold the center together.

That she continued to be extremely popular with the people helped her media image greatly. That she was seen as being totally dedicated to restoring democracy in the country helped just as greatly. And perhaps, because many wanted democracy and freedom to prevail and succeed, Mrs Aquino was forgiven almost everything.

There are still millions of Filipinos who want democracy and freedom strengthened, but they also want to see their president act decisively on issues; show her strength and toughness and prove to the people and to the rest of the world that has been keenly watching the country for months now, that she is in complete charge and capable of holding the center together; that she can meet threats--whether from the left or from the right--head on.

A discernable tinge of disenchantement has set in, with her handling of the aborted coup d'etat a week ago. That disenchantement from many citizens, however, is not sufficient reason for them to transfer their support of her to, say, Juan Ponce-Enrile, Fidel Ramos and the military or to the communist leadership, or to the Marcos loyalists, should any one of them try to stage another coup within the next six months.

But the sad effect of disillusion setting in is that this may be the start of a resurgence of indifference among the Filipinos. This may spell disaster for the Aquino coalition government. As long as Filipinos still care about the leadership, enough to help it attain its goals, the Aquino Government can survive.

The question is how long can the public remain supportive of Mrs Aquino and her government, if her leadership, by example, shows too many perceived signs of weakness and indecision? If it continuously shows a soft stand toward coup plotters and rebellious military men, towards warlords and their armed goons?

Many of us raved and ranted against injustice during the Marcos regime. We were witness to the many blatant infractions and abuses of the law committed by soldiers and friends of Marcos. During his reign, hardly anyone of consequence seemed to have been punished for those infractions. As a matter of fact, the Marcos men and women who "flouted" the law during the autocrat's reign were protected and even promoted or rewarded. And those who sought and fought for justice were either harassed or punished.

It was perhaps because Mrs Aquino, during the first few hours of the rebellion, failed to show the nation that she was in command of the situation that she is now perceived as always deferring to Ramos and Enrile, leaving to them the major decisions whenever threats of this nature erupt. It did not help her image any when she said that she was glad there were Defense Minister Juan Ponce Enrile taking care of her interests in Manila.

It was perhaps because Mrs Aquino failed to immediately and decisively react to the situation that she is now viewed as weak and indecisive, incapable of taking the initiative when push comes to shove.

And it was perhaps her offer of leniency toward the Marcos loyalists and the coup plotter that finally broke the bubble she has been blissfully cocooned in, during her almost five-month reign.

The people looked up to her for justice. It was not so much that the plotters and supporters of the coup were Marcos loyalists that the people wanted justice done. It was because the law was "flouted" and those military and loyalist soldiers and civilian successfully challenged the presidential authority with impunity.

And they went scot-free. Where was that justice that many had searched and fought for?

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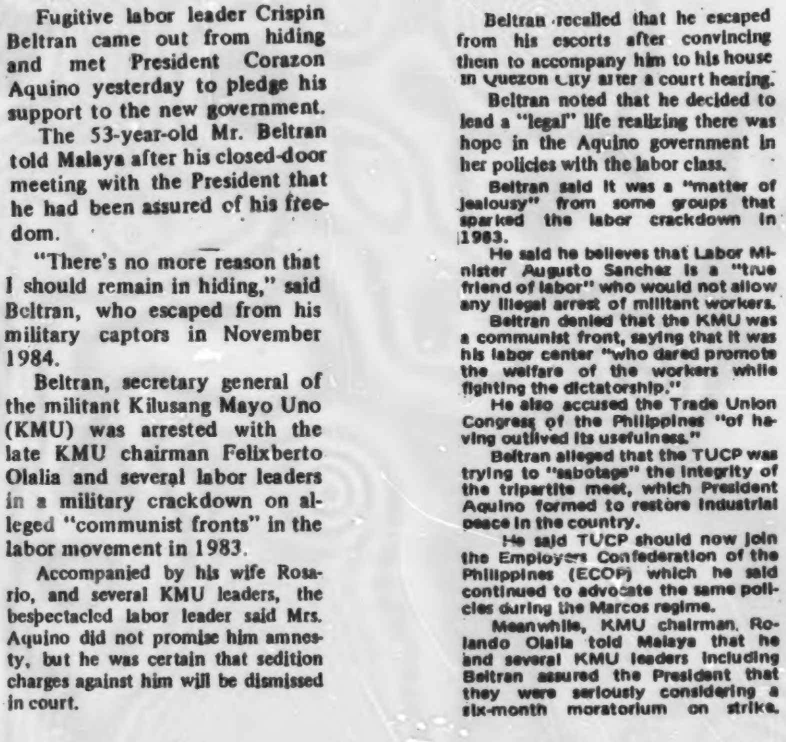
FUGITIVE KMU LEADER SURFACES, MEETS AQUINO

Quezon City ANG PAHAYAGANG MALAYA in English 31 May 86 pp 1, 6

[Article by Joel Paredes]

[Text]



Fugitive labor leader Crispin Beltran came out from hiding and met President Corazon Aquino yesterday to pledge his support to the new government.

The 53-year-old Mr. Beltran told Malaya after his closed-door meeting with the President that he had been assured of his freedom.

"There's no more reason that I should remain in hiding," said Beltran, who escaped from his military captors in November 1984.

Beltran, secretary general of the militant Kilusang Mayo Uno (KMU) was arrested with the late KMU chairman Felixberto Olalia and several labor leaders in a military crackdown on alleged "communist fronts" in the labor movement in 1983.

Accompanied by his wife Rosario, and several KMU leaders, the bespectacled labor leader said Mrs. Aquino did not promise him amnesty, but he was certain that sedition charges against him will be dismissed in court.

Beltran recalled that he escaped from his escorts after convincing them to accompany him to his house in Quezon City after a court hearing.

Beltran noted that he decided to lead a "legal" life realizing there was hope in the Aquino government in her policies with the labor class.

Beltran said it was a "matter of jealousy" from some groups that sparked the labor crackdown in 1983.

He said he believes that Labor Minister Augusto Sanchez is a "true friend of labor" who would not allow any illegal arrest of militant workers.

Beltran denied that the KMU was a communist front, saying that it was his labor center "who dared promote the welfare of the workers while fighting the dictatorship."

He also accused the Trade Union Congress of the Philippines "of having outlived its usefulness."

Beltran alleged that the TUCP was trying to "sabotage" the integrity of the tripartite meet, which President Aquino formed to restore industrial peace in the country.

He said TUCP should now join the Employers Confederation of the Philippines (ECOP) which he said continued to advocate the same policies during the Marcos regime.

Meanwhile, KMU chairman, Rolando Olalia told Malaya that he and several KMU leaders including Beltran assured the President that they were seriously considering a six-month moratorium on strike.

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MUSLIM CRITICIZES AQUINO FOR SNUBBING MNLF PANEL

Quezon City ANG PAHAYAGANG MALAYA in English 31 May 86 p 5

[Letter to the Editor by Yasmin Yacob, Digos, Davao del Sur]

[Text]

I am a Muslim from Davao del Sur who is an avid fan of yours. I cried with tears of joy when you took your oath of office as President of the Philippines because I knew that the dream of the Muslims will soon be realized now that the dictator President Marcos has fallen.

Knowing the commitment of your late husband Ninoy to the Muslims, I was very sure that you will honor such a commitment.

When the MNLF reformist group arrived led by Sultan Macapanton Abbas Jr. in answer to the government's invitation, I was one of those who eagerly met them at the airport. I was surprised at the thousands of Muslims who met the group as I did not expect such a huge crowd.

Then I realized that Sultan Abbas' arrival with the MNLF panel gave hope to the millions of Muslims who wanted the Mindanao problem to be solved.

As days went by and I followed the news about the MNLF panel's activities I became impatient. Every morning when I read papers I immediately look for the MNLF press release to find out when they are going to meet with the President, just to find no mention of it.

When Sultan Abbas and the MNLF panel went on a tour of Mindanao, then I realized what a brave man Macapanton Abbas was. When the monitoring of the cease-fire-in-place agreement was signed between Gen. Rodrigo Gutang and Gen. Jose Magno, then I knew that the MNLF has truly sent the right person to represent them. And I felt this time Cory will surely meet with them.

When I read in the papers that the MNLF panel was back in Manila together with the chief of staff of the Bangsa Moro Army, Commander Dante Indaila, I thought everything was ready for the meeting with you, Madame President.

It came as a shock when after a few days, I read that the MNLF panel was leaving for Jeddah and Malaysia without having been given an audience by President Aquino. My 100 per cent admiration for you, Madame President, fell right down to zero.

How come that you are over-concerned with making peace with the NPA. You even went to the extent of pleading with their leaders to meet with you. How come you have never shown that same concern for the MNLF?

I say MNLF because we are talking of rebel groups. While you are trying your best to make peace with the NPA leaders, you just ignored the MNLF panel who came here upon the invitation sent to them by your government.

Will the MNLF have to show their force as the NPA is doing to make you aware of the gravity of the situation in the south? Or is it true that some of your cabinet members have Communistic leanings? Is that why you are more concerned with the NPAs.

You know, Madame President, it breaks my heart to say this: I don't think you really care about the Muslim problem. It was only Ninoy who was for the Muslim, not you.

YASMIN YACOB
Digos, Davao del Sur

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AQUINO, RENEGADE PRIEST BALWEG TO MEET IN AUGUST

HK150509 Manila PHILIPPINE DAILY INQUIRER in English 11 Jul 86 pp 1, 10

[Article by Roy S. de Guzman]

[Text] Renegade priest Conrado Balweg has agreed to come down from the hills and meet with President Aquino next month to present the demands of his Cordillera People's Liberation Army.

The military has already given Balweg and those who will accompany him a safe conduct to come down to Manila or a nearby area to meet with Ms. Aquino.

Balweg's decision followed his second meeting with Agapito 'Butz' Aquino, brother-in-law of the president. Sources privy to the meeting told the INQUIRER that the two agreed a dialogue with the president was necessary to bring about a cessation of hostilities between the government and Balweg's rebels in the Cordilleras.

This developed as government negotiators engaged in separate peace talks with the borader underground admitted that truce arrangements with the National Democratic Front (NDF) have hit a snag because of difficulties in communications.

Agriculture Minister Ramon Mitra Jr., one of two emissaries of Ms. Aquino in the negotiations, told a recent press conference they were still awaiting word from the rebels on when the talks can start.

He said the lines of communication are one-way and that the government has no means of contacting the rebels.

The meeting last Monday between Aquino and Balweg was the second in barely a month's time. In their first dialogue June 15-16, the 42-year old priest as spokesman of the Cordillera natives in presenting to the government the main demands of his people so peace can reign in the area.

The demands, which the emissary immediately presented to the people are declaration [of] an autonomous state for the Cordillera, stop to militarization and the implementation of special projects in the region's five provinces.

The president signified her intention to meet the rebel priest, who only three months ago ended sevel years of association with the communist movement to establish his splinter group.

Defense Minister Huan Ponce Enrile also instructed the armed forces to lift the P130,000 price tag on Balweg's head as he backed the priest's proposal for Cordillera autonomy, only expressing reservations about the inclusion of six barrios which he said are predominantly "Christian areas".

Aquino is to meet Balweg later this month to finalize the arrangements for the meeting with the President.

At his press conference, Mitra alao said two underground figures they met recently are not representatives of the NDF. The NDF has named two former journalists--ranking dissident leaders Antonio Ma. Zumel and Satur Ocampo--as their emissaries authorized to speak for the entire underground movement including the Communist Party of the Philippines and its military arm, the New People's Army.

Observers noted that Mitra and ex-Senator Jose Diokno, the other emissary, are not in control of the negotiations, as "they had practically yielded to the NDF even the choice of area and agenda for the talks."

A rebel spokesman this week appealed to his younger brother, an army general who was leading soldiers in a revolt, to repudiate "a cause which, by its inherent evil, has been totally rejected by our people."

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PHILIPPINES

NPA PRIEST RELATES CONCERNS, VOWS TO CONTINUE FIGHTING

Manila MR.&MS. (Special Edition) in English 13-19 Jun 86 pp 19, 20

[Article by J.R. Alibutud]

[Text]

FATHER Frank Navarro, tall and 38, plays center on the rebel basketball team. Up there in the hinterlands of Northeastern Mindanao, he is called Migo, short for *amigo* which means friend. Standing shoulders above the rest, Migo dominates play on the dirt hardcourt and more often than not leads his team to victory.

Migo is one of the five priests in the Mindanao area who has chosen the radical option, that of taking up arms against the government. He was fo[illegible] parish priest of Diatagon, Surigao del Sur.

Three years ago, Migo faced a most crucial choice. Already under the watchful eyes of the military for his involvement in the social action and justice programs of the Church, he was tipped off that warrants of arrest had been filed against him and three others including a fellow priest and a nun. Navarro could remain in his parish of Diatagon and await possible arrest, imprisonment and torture or he could quite simply walk right out of his backyard into the hills. Navarro chose to be free.

Life in the NPA camp was pleasant when we were around to interview Navarro. Under the rain curtains (vari-colored sheets of plastic used to ward off rain and early morning dew) and on the benches throughout the camp, rebels wrote, played chess, strummed the ukelele, or gathered at the social hall for one discussion or another.

Navarro is now pretty high up in the CPP command structure and having been a priest, there were several burning questions to be asked: How does a priest reconcile the teachings of the church with the needs of the revolution? How does it feel to kill a man? What hope is there for a lasting and honorable peace?

Over a plateful of *champorado* (chocolate porridge), served up as a midday snack by Nino, a chubby NPA cook who whips up the best meals ever given to reporters this side of a people's revolution, Frank Navarro, diocesan priest, talked of things which brought peaceable men like him to violence and of things which may bring about peace.

"My decision (to join the rebels) was not immediate. It all started when I was an assistant parish priest. I used to volunteer to go to the remote barrios. There in those barrios, I saw the victims of ejections, the natives who were deprived of their lands, the farmers whose lands were bulldozed. I soon accepted the post of social action director and I became more and more involved with the political detainees, the victims of the logging companies, peasants and natives. It was then that I realized that if I were to stay in this job, I will only be a shock absorber for the victims. My apostolate does not really solve the problem or the root cause.

"My bishop gave me a parish of my own as a compromise. I had decided to get out of my parish and work in a particular sector, those of the workers or the natives. I never dreamed of quitting the priesthood. I was hoping to do something more meaningful and I did not wish to be tied to an institution where the work is limited in scope. I wanted to work with the people who really needed help.

"I accepted the offer of a parish but only for the duration of two years. So I served in Diatagon for two years — it was my last parish — and then it so happened that we had a symposium. That was July 4, 1983. All the delegates from my parish were arrested on their way home from the affair. I had stayed behind because I was supposed to attend a peace meeting the next day. One of those arrested was a teacher. She was the one who read the documentation of the military abuses. When she was arrested, all the 200 persons who were with her chose to be arrested too.

"I followed them up and it was there that I had a confrontation with Col. Hermosa, the Deputy Regional Commander. I asked him on what basis the arrest was made and he answered that our symposium was subversive. We were detained from 1:00 p.m. till 10:00 p.m. It was the parish priest of Tandag (Surigao del Sur) who vouched for us because the Bishop was not around.

"When we were released we thought that everything was fine already. But four of us were ordered to report back. The four included me, another priest, a nun and the teacher.

"Two weeks after, I was informed by a friend that warrants of arrest has already been filed against the four of us. My Vicar, Father Langit, advised me to see the Bishop because he believed that the Bishop would be the only one who could defend me. I went to Tandag and the Bishop said that he was informed by Col Hermosa that I was to be arrested. The Bishop advised me to stay in the Bishop's Palace while he consulted with (Sen) Diokno about the matter. Then the news came that the place was about to be raided. I thought things over and I decided to escape. I did not wait for the result of the Bishop's consultation with Diokno.

"I already had plans, but not at that time yet. I was already thinking about it two years before but I thought that the Bishop might not be able to take it. Also, others might have been affected by that decision. The warrant of arrest only hastened my decision.

"I had a feeling of doubt when I first arrived there, they asked me where I stood. I asked them where help was needed. They needed people in the armed unit if I could handle the task. I arrived there in September and joined the armed unit in November.

"The first two months I integrated with them, I interviewed the others, learned to use arms. Even before, I had already accepted the theory of armed struggle but when it came to putting it in practice I felt doubtful. I felt it would be different now, I would be holding a gun, it would surely happen that I would kill another person. But I reflected.

"Later I resolved my problem. Why can't a priest whose life is to serve a people offer his life for the people? When the laity is in danger, why will the priest be afraid of giving his life and face death in joining the revolution? I am already here, why should I be afraid to face death?

"I communicated with some friends in the city about the matter. Some said it was unbecoming for a priest to be with an armed unit. I wrote them back that more is expected from a priest, since he doesn't have any attachments in life. Besides, he has already given his life, he doesn't have a family to look after.

"I come from a big clan. We are six in the family. Their reactions to my decision varied. There were those who understood and accepted the fact while others thought it was due to the warrant of arrest. I communicated to them and explained. Would they like it better if I were captured, imprisoned, then tortured . . . and made to accept accusations which were not true? I would rather fight back and die. I am here in the mountains alive and fighting it out. What would they prefer? My parents understood. They would rather have me here alive.

"I explained to them the situation of the priests who were arrested, like Fr. Kangleon, and others who were killed and tortured. I told them that if I were tortured and made to confess, I would rather die than tell about my comrades.

"About the events in February, we were very busy then in operations in the forest. We had no communication. I was able to borrow a radio though and so from the 22nd to the 25th, we were able to follow the news. My reaction to the active participation of the church was that the Church was used, especially in the dialogue of Habib (Philip, Special Envoy of U.S. President Reagan) and Cardinal Sin. I am not sure whether they knew they had been used, but it was clear that they were used. If they knew they were being used then they have to answer to the people. How sincere are they in their mission to help the masses? The church's stand for active non-violence favors only those in the ruling class. What happened is that they have stood in the way of the people's struggle to defend their rights.

"If the church had made the option for the poor and the oppressed as mentioned in their pastoral letters, it is now inconsistent that the church is objecting to the people's struggle when it is the right of the people. The revolution is just. It is for the defense of our rights.

"The aim is to preserve the church's interest. Others have analyzed that if the Marcos regime fell and the CPP won out, the church may lose power. There is also evidence that there are people in the church who are connected with the CIA. I wonder if they could carry that in their conscience and continue serving. I think that is a sophisticated form of violence. It is clear that the ruling class is doing violent actions, and the masses are just defending their rights. They have all the weapons, those who are above. The church could have done something about that but it has always raised the point of non-violence, without citing the violence committed by the ruling class. If the church is true to its principles, it should attack the ruling class first.

"Before, no priests were allowed by their Bishops to run for public office or hold any government position. Why is it being allowed now? It's questionable, we can see that their principles, if they have interests to uphold, will not remain. I question the truthfulness of their principles.

"On the use of priests as intermediaries between the government and the insurgents, that's good if their aim is only to negotiate and make both parties meet and talk. If a dialogue is to be made, it should be on an equal footing. Their proposal now for us is to surrender and then talk that is not a dialogue on an equal footing.

"As far as I have observed, the rebels haven't lost their respect for priests. The church is credible enough to facilitate ceasefire talks if the mediators are qualified and familiar with the situation.

"One who knows the situation understands the rebels' predicament. The rebels would not accept the facilitator if he will just lecture on the values of reconciliation and sacrifice the rights of those struggling. There are some who are acceptable to us but we are not sure if he is also acceptable to the other side. Bishop (Julio) Labayen or (Miguel) Purugananan. Bishop (Carmelo) Morelos, but I don't know if he will agree. Bishop Dinualdo Gutierrez, Bishop Federico Escaler.

"Marcos is no longer around, but the problems are still there. The system has not yet changed. We have faith in Cory but the problem is, how strong is she? We know she is sincere in her campaign for democratic reforms. The military respects her because she is still popular. Until now I think that Cory's administration is temporary.

"I'm sure the U.S. wouldn't accept it. Even Enrile and Ramos especially when Cory tackles our demands for nationalism and democratic reforms. Cory may grant all these but the military will feel threatened.

"I was not expelled from my diocese. They are still waiting for my decision. I am more or less on leave from the church. I think though that if there is not any substantial change in the institutions of the church, I will not go back.

"Last year though, in my tenth year anniversary as a priest I celebrated mass in a consolidated barrio. I asked permission from the Bishops. I wrote to two of them.

"I will still have a ministry though it will not be institutionalized. I believe that is much better than being a priest — everybody respects you as a priest but you are not really serving the people. I would rather that they wouldn't call me or know me as a priest but I have served the people, only not sacramental. It would be in another form.

"Priests should be allowed to have other apostolates. If one wants to offer his apostolate to the revolutionary forces, he should be granted that wish. He will still be serving the people. Rebels are people too, you know. If they could provide a chaplain for the military — why couldn't the CBCP do the same with the NPAs?

"Many are needed to help the people here in the barrios. If only the priests are sincere enough and not just come up in the mountains during fiestas. They would see for themselves the life of farmers, the natives and the poor.

"In an exceptional situation you can have an exceptional ministry.

"When Marcos left, it was clear that the war was not yet over. Marcos is not really the problem of the people. Imperialism is still there. The military set-up is still intact. The multinationals are still operating. We don't really trust the government but in Cory we have faith. We trust her a lot.

"It will be good if she will know that we trust her a lot. We are ready to help in the implementation of programs. Cory is sincere. Cory can have her way now because she is very popular but once the multinationals are threatened, once the U.S. interests are endangered, Cory will just vanish. That is our point. It is very hard for us to trust the government. Even people are worried — once the NPAs lose, their lives are in danger because in times of military operation nobody will defend them." MM

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CSO: 4200/1220

NPA CONFIRMS 17 LIQUIDATIONS IN CEBU AREA

Cebu City VISAYAN HERALD in English 10 Jun 86 pp 1, 4

[Text] Communist-led New Peoples Army (NPA) liquidation units have executed a total of 17 persons with "blood debts" to the people in the metropolitan Cebu area and hinterlands this year, according to the latest issue of "Pakigbisog" (struggle), a Cebu-based underground communist newspaper.

The paper also reported that from last year to march this year, more than 45 counter-revolutionaries and other bad elements were meted death penalties by the NPA.

Among those whose death the insurgents have claimed responsibility for were: Pat Enriquez Abelgas of Cebu City; Pat Bebe Baritua of Aloguinsan town; Apolinario Birzaga, Rodofo Casas of Tuburan, Cebu; Barangay Capt Rodito Ynnay of Lanao, Asturias town; Jose Pacana, Juan Prito, Jesus Tabora, Nelson Fuentes in Mandaue City.

They claimed responsibility for the death of Felicisimo Lingaw-lingaw and two members of a fanatical cult who were gunned down last week in Talisay town.

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PHILIPPINES

CEBU ATTORNEY REJECTS LEGALITY OF CONSTITUTION, CONCOM

Cebu City VISAYAN HERALD in English 11 Jun 86 p 2

[The "Bombshell" column by Atty Vicentes Del Rosario: "Provisional Constitution Is Not a Constitution"]

[Text] A few months back I had the ambition to secure a place in the Constitutional Convention, in the event it would be created. But when I learned that instead of a convention there would be a Constitutional Commission composed of not less than 30 nor more than 50 members to be appointed by Pres Aquino, I felt, and I am of the opinion that she does not have the authority to do that. As far as I know, in my more than half a century in the law profession, no President had ever appointed delegates of a constitution-drafting-body. And soon I found out that my hunch turned out to be constutionally supported.

The power of Pres Aquino to create and appoint members of the Constitutional Commission is provided for in an article of the provisional constitution--a constitution that is not, in the real term, a constitution. Why? Drafted by only five persons headed by Justice Minister Neptali Gonzales, this so-called provisional constitution has not been submitted to the people for ratification. Can our readers tell us that a constitution which has not been ratified by the people is a real and honest to goodness constitution? This so-called provisional constitution is not even a law in its real term because it was not enacted by legislature. Are the five persons who concocted it a legislature?

Finally, I would like to hear from somebody, preferably Minister Gonzales, to anwer my questions.

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TANADA INDEPENDENCE, VIEWS ON CONCOM REPORTED

Manila MR.&MS. (Special Edition) in English 13-19 Jun 86 pp 4-6

[Profile by Roland J. Pascual--"Lorenzo Tanada: Still a Man for All Seasons"]

[Text]

LORENZO M. Tanada. His validity to our times emanates not from his being the civil libertarian that he has been practically all his political life – given to his radical anti-U.S. bases and anti-imperialist invocations – but by his being a continuing living symbol of what the legal Opposition in the public-administration arena has evolved into, climaxing in a February revolution that said it all for our convulsive anti-dictatorship sentiments.

He has aged well in politics. For all its glory and corruption, it has led him to "lonely paths" where he was to be derided, says Chief Justice Claudio Teehankee, by "self-proclaimed practical realists as quixotic and a frustrated Sir Galahad." No one, however, can question his sincerity and integrity, adds Teehankee.

He knows he is dubbed the Grand Old Man of the Opposition (remember when?), but he claims he does not know why.

Most probably, it all started in 1948, when he bolted from one of two prominent political parties, the Liberal Party, and only after a year's stint with the Liberals. He discovered too soon the "great anomalies". "Leaders of the Party, and some Nacionalista leaders were given 10 Chinese heads each to be recommended for immigration to the Philippines." Need he say it meant lotsa moolah?

From then on, he was known as the "man of exposes".

When he won his first senatorial race to the Congress, he had just resigned as the prosecutor of all leading Japanese collaborators. "I was against all those prominent figures."

He wanted to be independent, notwithstanding his famed exposes. He was responsible, a first in Congress' history, for the ouster of then Senate President Jose Avelino. He exposed Avelino's "surplus property transactions". That time, the people knew what Avelino was in power for.

Tanada could have easily joined the Nacionalistas but he did not. He opted to become only a "guest member" because he, too, supported Ramon Magsaysay's bid for the presidency. Tanada had to be "guest" as Magsaysay went Nacionalista.

He broke his ties with The Guy because of the latter's "pronounced pro-Americanism".

Lorenzo stuck it out with the group he launched: "the Citizen's Party. A small aggrupation of avowed "nationalists" (not anti-anything but pro-Filipino, Tanada recalls), it sloganned: Clean and Honest Government. Until he went unabashedly "anti-imperialist".

Ninoy Aquino must have shed a tear in all awe and respect for L.M.T. as, a few years before the assassination, he spoke of a Tanny who is "inflexible". In private retrospect, Aquino had remarked: "(I)t seems he (Tanada) has been nursing all his faculties, so that when the moment came, he could lavish them on the salvation of freedom and liberty of his people . . . tell me, can I find a better mentor and guide?"

He is now back as chairman of cause-oriented Bagong Alyansang Makabayan (BAYAN). He took a leave even before the group opted to boycott the 1986 elections. He supported Cory Aquino, simply, "for the people," he said. During the campaign sorties of Aquino, however, he was only invited to speak twice.

Dusk was gathering around his cozy study at his New Manila residence when he gave the Special Edition an intimate interview. At the end of the talk, he came clear with the message: he is now feasting on the glories of the twilight of his years — aging, maybe, wobbly at his feet — but still a towering figure in politics of diverse colors. The human rights advocate, the politician, the civil libertarian, the nationalist — he's deeply respected by all circles.

"I was once quoted by a reporter to be 'happily in tune with the populist times'. Populist? If it meant the masses are starting to be empowered politically, economically and socially, I do not object to the use of the term. But I never said it. Maybe, it's an improvement of what I'm trying say now."

Despite his hearing aid, he listens well to our questions as we try to grasp the man who went through all the tumult and glory of politics past.

He talks rather slowly, groping for the right words, giving all due emphasis to words that matter, as in oratory, lending an air of drama to political verbiage that comes from deep within an old man's memory. Thus, he shares his insights.

ON THE CONCOM

"I was needed by the CONCOM, the President told me. *Baka magalit ang tao*, she said. *Pero hindi ko alam kung sino ang magagalit kanino. (Laughter)*

"I turned down the offer on the matter of principle. I don't believe in a CONCOM that is charged with the important job of drafting a new Constitution, specially after what we have suffered under Marcos. I thought a commission duly elected by the people is more appropriate. I found it very difficult to turn down her (the President's) request. I am old and sickly, I told her. The President retorted: 'That's the first time I heard that argument.' (laughter) She knows there is more to it. I told her — I hope you understand.

"Time, money, the pressures — these are secondary. Yes, they are important given the expediencies of our times, but they are of secondary importance.

"But you should note that no constitutional convention, even if members are duly elected, is a cure-all for our problems."

ON ACTIVELY HELPING DRAFT THE CONSTITUTION THROUGH BAYAN

"If you can't get what you want, then help. Those people there (at the CONCOM) really want to draft a good constitution. I believe they'd be coming out with a democratic one. But I doubt whether they'd adopt our anti-bases and anti-nuclear provisions."

ON ASSESSING CORY

"It's too early to judge the results of the efforts of the present government. Only a hundred days have elapsed. And considering the complexity and the enormity of the problems that totally wrecked our economy, you cannot expect much.

"But I believe we are on our way to a popularly accepted democracy.

"I do not want to pass judgment at this point. Because I know how difficult are the problems. Billions were stolen from us.

"Yes, the President came up with specific achievements, but those are things . . . But as I said, and I'm asserting it, I cannot judge her properly at this point. I support her. And I was the only one who actually prayed during the EDSA reunion of heroes. There were about eight of us who were supposed to pray but they delivered speeches. (laughs) And Fr. Reuter, the organizer, shook my hand and said 'Thank you for that.' It was a special prayer and I memorized it. Without any preliminary statement, I said — Let us pray: Queen of the Holy Rosary, refuge of the human race, we lie prostrate before you, confident that we shall receive mercy, assistance and protection. Not through our own inadequate merits, but through the goodness of your maternal care. May the great sufferings and sorrows of our people move you to compassion. Oh Mother of Mercy, obtain this for us from God and procure for us the graces and secure that peace. Queen of Peace, pray for us and give the Philippines the peace we are all hoping for. The peace and justice and charity of Christ. Let us pray specially for our beloved President, Corazon Aquino. That she may come through with the guidance, protection and inspiration of Christ. Spare her from all the danger, evils, temptations.

"Cory said *'Salamat'*. It was the first time I prayed in public. But I felt very happy when, from a distance, I saw Fr. Reuter approaching me. And Justice Teehankee remarked: *'Pare, mahina na ang boses mo, a! Ano?* I asked. *'Aba eh hindi ka nasigaw kung nagdadasal.' (laughter)*

"I did not shout. Well, I had to pray that. What with the widespread material and moral destruction. And I am a man who believes in prayer. I was able to reach this stage of my life — the Grand Old Man of the Opposition — without money, without any political party. I attribute my success to prayer and work. These policy recommendations to the CONCOM are all handwritten by me. I did not have any stenographer until the last few days simply because I became very tired."

ON JOMA SISON

"He does not attend our meetings (at BAYAN). To propose for a coalition with the Left is a shameless act after boycotting the elections. Joma is not from our group."

ON CORY AQUINO

"I know Cory. I know her. Because of more than a year the Convenors Group met. I know how she feels. She's very sincere. I am only afraid of some people close to her. *(laughter)* Period."

ON THE MASSES PARTICIPATION

"The Filipinos, I agree, do not yet have a significant participation in the making of decisions for the country. Eventually, they will be able to."

ON THE TWILIGHT OF HIS POLITICAL YEARS

"I feel that this time, I am more understood, supported and more liked than any time in my life. The people have seen perhaps. How I participated in rallies. In one, I almost fainted after they teargassed us. *(He shows the picture of a dispersed Mendiola rally.)* I was about to faint. They saw it on television.

"When I went to EDSA during the revolution), I could not proceed. They were shaking my hands, kissing me, hugging me. Without bragging, and this is really how I feel, I'm loved now by the people, more than any time in my life."

ON FORM OF GOVERNMENT

"You see, I am for a unicameral system of government because that is nearer to giving the masses participation in the enactment of laws. Not bicameral. Because the Senate, in general, in any country, is composed of the elite. The decisions of the lower chamber are often diluted, if not entirely negated, by the Senate because of such composition.

"And the electoral system should be changed. It does not give much chance for the people to elect as many representatives as they would like to represent them.

"Cory wants a bicameral system.

"A unicameral system, as Cuba has *(laughter)* starts with an electoral district. It will elect the municipal, then the municipal will elect the provincial. But it is the municipal, in the final analysis, that will elect the members of the chambers. That is what I call a grassroots democracy.

"Form, contrary to what other political analysts say, is also important."

ON THE CPP-NPA

"They should realize it's important to work together. Yes, there is still intense militarization in some areas. But it's really a difficult issue, very difficult. Not all the causes they are fighting for is taken care of. We even receive reports in BAYAN that in some areas the military is even worse than before. The problem is we cannot expect them (NPAs) to lay down their arms. I myself, if an NPA, will think many times before I do so. *(laughter)* I have no ready solutions. I don't know. It's very difficult."

ON THE INDEPENDENCE DAY CELEBRATION

"We can celebrate, why not. During the dictatorship, I refused to celebrate. Instead, I participated in rallies. But now, I think we should celebrate. The situation now is different.

"Unfortunately, I cannot participate in any activity. Because my doctor said, only last February, that my heart has weakened. I should stop my outdoor activities.

"I have no regrets in my entire political life. I am very happy. Yes. Because I worked and did what I had to do. Without expecting anything personal for me. To have participated in the liberation of the people under such a regime as Marcos gave us, is enough satisfaction."

His two-year-old walking cane, necessitated by a first heart attack, was not used that night of political intimations. He has found out lately that his left leg is no longer as weak as it was. He stood straight by the kitchen door to hand over a tape recorder that we had forgotten. "I just want to make sure I handed this to the right person," he said, caneless at 68. "Careless, huh? Careful."

Almost every afternoon since April, the Man finds himself at the University of the Philippines library to take notes on constitutions. To date, he has studied at least 17 foreign constitutions.

He mainly does the dirty work for the cause-oriented Bagong Alyansang Makabayan (BAYAN). They expect to hand over their policy recommendations to the Constitutional Commission next month.

At present, they are working on policy recommendations in behalf of workers.

On a forlorn old notebook is where he notes down his studies, all handwritten by himself. Last Monday, June 9, he handed the last of his drafts to BAYAN's Lean Alejandro. Said he: *"Tama na ito, Marami na, eh."*

He is excited and engrossed about it all. He cherishes every word he jots down; he reads his notes with all the intensity he can muster.

"You see, we are trying as a body to give well-being to the poor, at least to the poorest of the poor."

The following are some of his recommendations.

R.P.

U.S. BASES

Foreign military bases on Philippine territory must be removed and no foreign military bases shall hereafter be allowed. (Declaration of Unity, p. 4, par 3.6 signed by President Aquino, J.W. Diokno, T. Guingona, Steve Salonga for his father, J. Ongpin, L.M. Tanada and others).

FARMERS

The State encourages, guides and assists self-employed farmers (handicraft workers and other self-employed workers) to advance towards the road of collective production, cooperatives and other forms of mutual aid collectives on the principle of voluntariness. (Vietnam)

ASYLUM

The Philippines shall grant the right of asylum to citizens of foreign countries who are persecuted because of their struggle in defense of basic human rights and the liberation of their country.

The extradition of aliens prosecuted for their action as freedom fighters shall be prohibited. It will only be granted in compliance with a treaty or the law in keeping with the principle of reprocity. (Greece, Cuba, Spain, Czechoslovakia and Guatemala)

"This provision will show that we respect and highly regard human rights for all. There has never been a provision for this in our past constitutions."

WOMEN

"Once, Sr. Mary John Mananzan approached me and asked — Can we make a provision stating that women are equal to men in rights and responsibilities? I said there's no need! Because under our constitution you are protected when they speak of 'No person shall be deprived of life, liberty and property. . .' You are included in the word 'person'. But we are still going to submit a proposal which we found in the constitution of Vietnam which is very beautiful."

Women and men enjoy equal rights — in economic, political, cultural, social and family life. (Vietnam, Bulgaria and Cuba)

"There's no such provision yet in our constitution. Considering that the president of the Constitutional Commission is a woman, and the President of the country is a woman, I think we should memorialize these events by the adoption of this provision."

POVERTY

"There are many policy recommendations. But most of the provisions I am recommending are intended to protect and help the poorest of the poor. For example:

"Citizens have the right have the right - to material assistance from the State and society when they are old, ill or disabled.

The State develops the social insurance, social relief and medical and health services that are required to enable citizens to enjoy this right. (China, Cuba, USSR and Portugal)

"This does not only provide for the rights of these people but specifies how to ensure their rights. You know, I am 87 and 10 months old. And I have seen life. One of the saddest things to see in what you call squatters' area is an old man sitting down in front of his nipa shack — hungry and uncared for. *Nakakaawa naman.* Nobody pays attention to him. *Matanda na, e.* The same with a deaf, lame, blind. These are people we must help."

MOTHERS

Mothers shall enjoy especial protection and care from the State during pregnancy and maternity including paid leave-of-absence before and after child-birth, free obstetric and medical care and (in) maternity homes. (Cuba/Mexico)

"We owe so much to our mothers. Imagine the conditions of a *buntis* in a squatter area. It's awful. She delivers in her house — dilapitated, water hardly available and all that. And we owe everything to our mothers. Why Lord Jesus Christ? At least the constitution should reflect the concern."

INFANTS

Infants are entitled to protection and care of society and the State, with a view to their integral development. Infants, particularly orphans, and abandoned children are entitled to the special protection of society and the State against all forms of discriminations and oppression and against abuse of authority in the family and in other institutions. (Portugal)

"This is something we neglect. Specially the poor. Sometimes, the father marries a second wife — and she is an uneducated, unreasonable woman who oppresses the children of her husband. 'These are not mine,' she'll say.

"And to think that the authors of this provision are Europeans!

"When I read this to BAYAN, a member submitted something to the body: *ON THE CASE OF THE UNBORN AND THE CHILDREN: The unborn/children shall enjoy protection and care of the State from the period of conception.*" Very nice. Really."

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PCGG SEQUESTERS COCONUT PRODUCERS FEDERATION ASSETS

Daza Assigns OIC

HK150333 Manila THE NEW PHILIPPINES DAILY EXPRESS in English 12 Jul 86 pp 1, 7

[Article by Rodolfo V. Brul]

[Text] The Presidential Commission on Good Government [PCGG] finally sequestered yesterday the assets, properties and investments of the Philippine Coconut Producers Federation, Inc. (Cocofed) barely two weeks after the commission had taken over the United Coconut Planters Bank [UCPB]. The PCGG had earlier frozen the federation's bank accounts.

PCGG Commissioner Raul Daza issued the writ of sequestration to prevent, he said, the remaining balance of Cocofed's P8.4 billion funds from being dissipated, transferred or concealed.

Maria Clara L. Lobregat, Cocofed president, was not around when the sequestration order was served on Cocofed at 2 p.m. yesterday. The sequestration move, however, was carried out smoothly and without resistance from Cocofed personnel, Daza quoted the sequestering party as saying.

Daza assigned an officer-in-charge [OIC] in the federation instead of designating a fiscal agent "because of the exigencies of the situation and national interest consideration." Lawyer Amancio Ballicud, a senior PCGG legal staffer, was named Cocofed OIC.

Daza said about 15 million Filipinos directly or indirectly depend on the coconut industry. He said a sizeable portion of the P9.6 billion coconut levy fund had been allocated for the Cocofed.

Of the P9,695,439,749.67 coconut levy fund that has been collected from the 1.4 million coconut farmers from 1973 to 1982, Cocofed has taken the lion's share of fund allocation representing 88 percent or P8.4 billion, Daza said.

"We always maintained the position that the coconut levy is tax money, and therefore, this money is a public fund that must be protected at all cost," he said.

"Lobregat and her allies carefully and sophistically manipulated the Cocofed and through it, the municipal and provincial chapters all over the country were used to insure that they perpetuate themselves in the Cocofed Board from 1969 until the present," Daza said.

This was done, he said, "by converting Cocofed as part of the KBL machinery which helped deposed President Marcos in power."

Federation Denounces PCGG Action

HK150335 Manila MANILA BULLETIN in English 13 Jul 86 p 8

[Text] The Philippine Coconut Producers Federation (Cocofed) denounced yesterday the Presidential Commission on Good Government (PCGG) for its allegedly arbitrary issuance of the writ of sequestration on Cocofed.

"It's high-handedness and abuse of authority and power are beyond the ambit of the executive order creating the commission," lamented the Cocofed officials.

Lawyer Manuel Laserna Jr., a coconut farmer from Bobon, Northern Samar, and Cocofed manager for Visayas, led farmers in condemning the PCGG's sequestration of Cocofed syaing that the PCGG ignored the fundamental right to due process as provided for in the Bill of Rights.

Laserna, who served also as a PDP-LABAN [Philippine Democratic Party-Lakas ng Bayan] lawyer under Justice Minister Neptali Gonzales in the 1984 Batasan elections, pointed out that the commissioners of PCGG could not even agree among themselves on the basis of Cocofed's sequestration.

He said that the grounds for the sequestration were all biased allegations that Cocofed funded the loyalist, was a KBL front, and that the coconut levies are public funds.

"By sequestering Cocofed, the PCGG hopes to muzzle and finally silence the more than 1.4 million coconut farmers who are protesting and denouncing PCGG's sequestration of their shares in UCPB [United Coconut Planters Bank], the CIIF oil mills, farmer-owned trading companies, and an insurance company," Laserna said.

"But what the PCGG does not realize is that with the series of arbitrary, abusive and oppressive actions of PCGG, the leaders and members of Cocofed are now more united and firm in their struggle to regain the loss of their basic human rights stripped by the commission," he said.

Laserna assured that even under "this grossly unjust situation," Cocofed will not renege in its obligations to protect the rights and interests of its members.

Domingo Espina, a small coconut farmer from Libagon, Southern Leyte, who is a member of the Cocofed National Board, said, "just because the majority of the members of Cocofed are small coconut farmers, does the PCGG think we are stupid enough not to see through their moves?"

"The PCGG has continuously preached this deception through various television interviews and press statements," Espina said.

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PHILIPPINES

GOOD GOVERNMENT COMMISSION PROBES 'CRONY' LOANS

HK150401 Quezon City BUSINESS DAY in English 14 Jul 86 p 20

[Article by Ramon R. Isberto]

[Text] One of the more tangled problems on ill-gotten wealth involves hundreds of millions of pesos lent by several major commercial banks to relatives and "cronies" of ex-president Ferdinand E. Marcos. Some of these loans are now falling due and the banks want to foreclose the collaterals pledged to them.

The Presidential Commission on Good Government (PCGG), however, has put such moves in hold for the meantime. The assets pledged against the loans are considered ill-gotten wealth by PCGG and are therefore subject to sequestration.

PCGG is wary of disposing these assets in favor of the concerned banks because it wants to first find out whether the loans were extended to the borrowers on an arm's length basis or they were actually "sweetheart" contracts.

The five-man probe body has been talking with the Bankers' Association of the Philippines to quietly find a solution to the problem. It has been tight-lipped about how much money is involved and which banks are caught in this fix.

An informed source said the aggregate total easily runs to several hundreds of millions, and several major banks are involved. This situation arose out of one of the many "innovative" financial practices of so-called cronies; they first acquired assets--such as substantial shares of stocks in a major corporation--and then they turned around and borrowed large sums against these assets.

According to initial investigations by PCGG, this modus operandi seems to be a favorite of ex-president Marcos' brother-in-law, Benjamin Romualdez. One of the better known cases involves the 60 percent share in Benguet Corp. owned by two holding companies which in turn are alleged to be owned by Romualdez.

Already sequestered by PCGG, these shares were pledged against loans from three financial institutions that include the Philippine Commercial International Bank and the Equitable Banking Corp. These banks have asked PCGG to allow them to foreclose and then sell off the shares. They would then deduct part of the proceeds to settle the outstanding obligations and then turn over the balance to PCGG.

The commission has, however, refused to go along. PCGG officials say they want to take a "good look" at the loans to determine if the banks have a valid claim.

The situation is more complicated in other cases. One such instance, BUSINESS DAY sources say, involves another Romualdez-linked corporation, First Philippine Holdings. First Holdings owns 25 percent of [word indistinct] Shell Corp. Sources said the company's acquisition of these shares were "fully financed."

It now appears that this block of shares was later subdivided and then pledged against several new loans even though these were not yet fully paid. What happened to those new loans is not yet clear. The loans are now falling due and several banks are now piling on top of each other to stake a claim on these shares.

The catch is that PCGG is also claiming these assets as ill-gotten wealth that should go to the government. If that happens, then the banks will be stuck with bad loans and no collateral to call in.

Sources said the banks involved argue that these loans were granted legitimately and that the government should therefore recognize their claims.

PCGG officials are, however, questioning why the banks apparently failed to find out that the assets offered to them as collateral had already been previously pledged against other loans.

While the question remains hanging, the affected banks have to carry in their books large sums of non-performing loans. One financial analyst aware of the problem said the situation is "manageable." He admitted that the solution has to be eventually worked out.

In any case, the resolution of some of these loans may have to await legal action by PCGG against the alleged ill-gotten assets. PCGG for its part will have to balance the claims of government and the stability of these banks.

At this point though, the commission does not seem inclined to let some bankers go scot-free for making what appears to be, at the least, unfortunate loan decisions.

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PHILIPPINES

FINANCE MINISTER'S BENGUET STOCK TRADING HIT

Manila MR.&MS. (Special Edition) in English 13-19 Jun 86 p 21

[Text]

As soon as Jimmy Ongpin was appointed Minister of Finance, he felt called upon to resign from the Benguet Corporation and sell his shares there. This is to avoid any conflict of interest between his new Cabinet job and his personal interests. Well and good, on March 4, 1986, Jimmy sold his Benguet Corporation "A" shares at the stockmarket through his stockbroker brother Luis Ongpin of Wolff & Company.

Ongpin continues to be God's anointed because he was able to sell his shares at spectacular prices, at ₱42 to ₱42.50 per share, at the time that the last recorded transaction on Jan. 15 was ₱18 per share. On March 3, there was allegedly a fast transaction, prepared by Wolff & Co., involving an offer to sell at ₱26 followed by a buyer's acceptance minutes before the Exchange closed. This is of course a *lutong Macao* transaction to force the price up artificially by seller/buyer collusion without undue market intervention. Apparently even ₱26 is not high enough, because the next day, Jimmy's stocks were sold at ₱42 per share.

Now, who is the sucker who will buy such shares at more than twice its market value? Surprise, surprise, the shares were purchased by Benguet Management Corporation, a wholly owned subsidiary of Benguet Corporation of which Jimmy Ongpin was the president. Wowie! Just like the Neptunia/Soriano deal which was branded as unfair, immoral and anomalous.

As Neptunia is the subsidiary of San Miguel Corporation, so Benguet Management is the subsidiary of Benguet Corporation. As Neptunia bought the Danding/farmer's shares of San Miguel, so did Benguet Management buy Jimmy Ongpin's shares in Benguet Corporation. As Neptunia paid ₱100 per share which is more than twice the market price of ₱28 per share, so did Benguet Management pay ₱42 per share which is more than twice the market price of ₱18 per share. As Danding/farmers benefited massively at the expense of the San Miguel stockholders who owned Neptunia, so did Jimmy Ongpin benefited enormously at the expense of the stockholders of Benguet Corporation who owned Benguet Management.

Why was Jimmy paid so much for his shares, making him an instant multimillionaire, with a net worth of more than ₱40 million? Who awarded him this prize? Was it Kokoy Romualdez who controlled 60% of the Benguet Corporation? Was it Herbert Allen, who controlled 40% of the Benguet Corporation with the help of the American Mafia, and whose protege Jimmy Ongpin is? Or was it the PCGG who was supposed to sequester the shares controlled by Kokoy, and who suddenly surrendered control to the Benguet Management under Jimmy's boy, Delfin Lazaro? Or was it the 30,000 minority stockholders whose interest Jimmy claimed to protect from Kokoy (ha ha), and who were extremely prejudiced by the purchase of the Ongpin shares at highly inflated prices??!!

And why should Jimmy Ongpin be so rewarded? So that in his capacity as Minister of Finance, he can protect the interest of Kokoy? Of Herb Allen and the American Mafia? of the American carpetbaggers and the IMF?

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GOVERNMENT TO USE LOCAL SOURCES TO COUNTER DEFICIT

HK150559 Manila MANILA BULLETIN in English 14 Jul 86 p 17

[Article by Juantio Concepcion]

[Text] The national government will raise from domestic sources the bulk of the funds that will be used to finance the projected P27 billion budget deficit this year, contrary to earlier government pronouncements.

A high-ranking government official disclosed over the weekend that the government, under the revised 1986 budget, will raise on a net basis P25.2 billion from various local sources and only P1.7 billion, also on a net basis, from foreign borrowings.

His statement runs counter to earlier pronouncements by various officials that the ceiling on government borrowings from domestic sources will only be P10 billion so that the government does not crowd out the local businessmen from the domestic credit market and prevent lending rates from shooting up.

Budget Minister Alberto Romulo, in an interview last Friday night, confirmed the government's plan to raise over P25 billion from domestic sources to finance the bulk of the fiscal deficit in 1986.

He declined to specify the reason for this move and pointed out that local banks, which are awash with loanable funds, and other local fund sources can well afford to lend to the government without causing a tighteness in supply of credit that can drive up lending rates.

Gross domestic borrowings will amount to P29.205 billion but the net borrowings will amount to P25.2 billion since the government will disburse about P4 billion in as payments to maturing securities and other instruments, the official said.

The official, who requested anonymity, said the main sources of funds for the national government consist of the following: short-term treasury bills where the government will raise P18.2 billion; P7.2 billion in borrowings from the Central Bank; P3.5 billion in medium-term treasury notes from the Social Security System; and, P305 million in treasury notes to be sold to other institutions.

Gross foreign borrowings will actually amount to P8.5 billion. Taking into account the amortizations on foreign obligations, the net foreign borrowings, to be used to finance the deficit, would only be P1.7 billion, the official said.

The official added that the government was optimistic it can raise the needed foreign borrowings to finance a portion of the deficit. Earlier the government had projected that about $1 billion of P20 billion in official development assistance would finance bulk of the fiscal shortfall.

The government earlier obtained from the Economic Support Fund of the United States a total of P4.1 billion.

Commitments of official development assistance amounting to some $700 million were also obtained by the government earlier.

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PHILIPPINES

MINISTER SAYS PUBLIC 'VERY MUCH AGAINST' BATAAN PLANT

HK150403 Manila THE MANILA EVENING POST in English 12 Jul 86 pp 1, 3

[Article by Veronica G. Andrada]

[Excerpt] Since Minister Antonio Arizabal, National Science and Technological Authority (NSTA) director-general, also recently said the weight of public opinion is still very much against the operation of the Bataan nuclear plant because of its great danger to national security.

Arizabal said "the public safety aspect is a very serious consideration in the operations of the plant which will be looked into carefully by members of the Bataan nuclear committee headed by presidential spokesman Rene Saguisag." He said the committee is still determining the losses the country will incur following the scrapping of the nuclear project.

He said the economic aspect is being considered by the committee which is trying to find alternative uses for the plant facilities.

Arizabel denied rumors that the nuclear plant was built in Bataan to support the military strategies of the Olongapo-based American forces against Soviet expansion in Asia, saying that there is no way the plant can be of big help to the U.S. forces' operations.

He added that Bataan was chosen as the site, primarily because of its access to a big body of water (South China Sea) which the nuclear plant needs during its cooling process.

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PHILIPPINES

AGRICULTURE MINISTER SAYS CENTRAL BANK ANTIFARMER

HK150421 Quezon City BUSINESS DAY in English 14 Jul 86 p 2

[Text] The Ministry of Agriculture and Food (MAF), even under the Aquino Government, is running into the same problem it encountered under the Marcos administration: Central Bank's [CB] seeming apathy and bias against the farming sector, Agriculture Minister Ramon Mitra Jr. said.

Mitra, over the weekend, told newsmen that meetings with CB and Monetary Board officials have deteriorated into an "acrimonious" battle of sorts: on the one hand is the CB barring any hopes for influsion of funds to the farming sector and, on the other, the MAF desperately arguing the farmers' cause.

"They drown our arguments with high falluting financial terms," Mitra said, adding that the monetary officials project a hopeless picture of an "inflated" deficit situation to dampen any argument for additional funds to farms.

"We need to excise from the ranks these same monetary officials who were part of the old order that conspired against the farmers," he said. While he did not mention names, Mitra was apparently referring to CB Governor Jose Fernandez Jr.

Mitra said his last meeting with the Monetary Board resulted in a near helpless situation for the agriculture sector. Despite a continuing downward trend in corn prices, the ministry can not come to the aid of farmers because funds for the National Food Authority's (NFA) procurement operations have been severely depleted.

He said he was batting for an P860-million yearly budget for the NFA to enable it to influence grain prices upward. The idea, he said, is to purchase at least 10 percent of total production.

He also said he requested the CB to write off the NFA's previous past accounts totaling P6.7 billion accumulated in the course of its rice and wheat imports, among others, "to allow the agency to start anew. We must judge (the NPA) on the basis of its operations now," he said.

Mitra said it is unthinkable that the government could come to the rescue of Marinduque Mining Corp., for which billions of pesos were spent, and then leave the millions of farmers out in the cold.

He said the government is going to test other schemes for procurement. On the other hand, he hinted that previous plans to lower the support prices for rice or corn may not have to be carried out despite inadequate funds.

"We might begin buying from everybody now, including traders," Mitra said. He said buying from farmers alone through the old passbook system may not be very effective. If we have more funds, we can start buying from traders also, he said. He explained that if traders were assured of adequate selling prices, they would have no excuse for underpricing "as farmers can easily sell directly to us," he said.

He added that of the P860-million budget requested for NFA's procurement operations, about P500 million is for direct purchases, while P300 million will represent trading losses or the government subsidy. "If you do not subsidize, it means you (are making money and so) are not helping farmers," he said.

Historically, the NFA buys about 6 percent of grains stocks. But Mitra said about 50 percent of production is consumed by farmers and their families, which means that the 6 percent procurement total means only 3 percent of the total commercial stocks.

The previous government also ran into the perennial problem of insufficient procurement funds. To effect a 10 percent purchase of grains stocks, the government would need about P2.6 billion.

"If you do not have the money at the time you need it, farmers will fall victim to the Chinese buying cartel," Mitra said.

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BANKERS, OTHERS LINING UP AGAINST CB GOVERNOR

Manila MR&MS. (Special Edition) in English 13-19 Jun 86 pp 21, 22

[Excerpts]

Espiritu Cries Foul at Jobo, Jimmy

MetroBank President Edgardo Espiritu is crying over his cup of coffee at what he terms foul play, a stab in the back by Minister Jimmy Ongpin and CB Governor Jobo Fernandez, when he found out that they sabotaged his bid for a seat in the Monetary Board. Jimmy and Jobo blocked the appointment right in Malacanang itself by telling President Aquino that Ed Espiritu would be better placed in the Land Bank of the Philippines instead.

President Cory inducted someone else into the position, Jesus "Chito" Ayala, formerly of Commercial Bank and lately a Mindanao farmer at the behest of Agriculture Minister Ramon Mitra, who wanted someone in the Monetary Board conversant with farming.

Poor Jobo. A cabinet member revealed that in cabinet meetings, nobody wants to talk to Jobo. For one thing his Harvard accent is absolutely ununderstandable to the common Filipino. Jobo has already eight cases before the Tanodbayan (by the Anti-Graft League, PAIC Bank, Banco Filipino, Pacific Bank). Next week, a rural banker from the south will file another case against Jobo.

This week, the employees of Philippine Veterans Bank and bank labor union labor leaders went on a hunger strike at Freedom Park, with a demand for Cory to fire Jobo. Asked to comment on this, he said: "I regret the occurrence but I won't resign."

The Freedom Park mass action will be followed by a citywide picket of Far East Bank branches by cause-oriented groups led by ATOM (Butch Aquino's boys?) and the KMU (Olalia's boys). The cause-oriented groups have already one million signatures (as of Tuesday, May 27) seeking to "de-JOBOnize and de-ONGPINize" the Philippine economy.

The principal complaints against Jobo are that (1) he acted as hatchetman for Marcos in the cartelization of the banking system; (2) he never satisfactorily explained how he got rid of his Far East Bank shares which was transferred to a qualifying-share holder; (3) he never explained the overprinting of currency for election purposes; and (4) the Far East Bank had the best deal from the closures of commercial, thrift, and rural banks. These are the complaints of his detractors, not mine.

WHO WILL TAKE JOBO'S PLACE?

The banking community has never been divided like this before. One group is pro-Jobo loyalists headed by Willie Tecson, president of Solid Bank: Chester Babst of RCBC; Spic Loinaz of BPI; Tony Ozaeta, formerly of PCIB; P.L. Lim, and Carlos Palanca — battle-scarred veterans of Cork & Cleaver, and now habitues of Ritz, Twin Towers and Manila Gardens. These are tagged by their opponentns as "IMF/WB stooges".

The anti-Jobo guerrillas are headed by Macario Laurel of Philbanking; Tomas Aguirre of the Banco Filipino; Sonny Abello of PAIC; Ed Espiritu of Metro Bank; Teng Puyat of Manila Bank; Manolo Morales of Equitable Bank; Tony Gatmaitan, 20 thrift bankers and 258 rural bankers — who are called by the loyalists the "has-beens and never-beens" because they only scrounge for nickels and dimes.

The guerrillas claim that Jobo has discriminated against small Filipino banks, promoted the cartelization of the banking system under the Unibank concept which they claim is illegal in the United States under the Sherman anti-trust Act. They claim that some of them were asked to endorse in blank 51% of their voting stocks to the powers-that-be during the Marcos Administration; and that because they wanted to contribute to Cory's campaign funds, they were left with no funds and liquidity problems by Central Bank.

The anti-Jobo guerrillas have been besieging Cory with open letters, demonstrations, and delegations to Malacanang demanding the ouster of Jobo.

In retaliation, the pro-Jobo loyalists have been getting endorsements from various business groups in support of Jobo. The guerrillas are indignantly

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NEDA'S MONSOD DUTIES, POLICY, VIEWS PROFILED

Kuala Lumpur BUSINESS TIMES in English 26 Jun 86 p 19

[Article by Paulynn Sicam]

[Text]

MS SOLITA "Winnie" Monsod, the new director-general of the National Economic Development Authority (Neda), has declared war on the Philippines' US$26 billion (M$68.6 billion) foreign debt. And in waging this war, she has vowed to be creative.

"I'll be damned if I'm constrained by conventional thinking," she says, talking straight and tough as usual. People who know Ms Monsod are not surprised that this feisty lady is tackling the country's economic planning like a General Patton stubbornly keeping his ground and barking orders to the troops.

Her students at the University of the Philippines where she taught in the School of Economics for 15 years, and her acquaintances in the "Parliament of the Streets" where she marched and raised hell against the regime of deposed president Ferdinand Marcos, know Ms Monsod to be hyperative and bright, strong-willed and very definite about her opinions.

Today, they smile when they read of good old Winnie taking on the central bank governor, the finance minister, the International Monetary Fund and the World Bank on the issue of what to do with what she calls "immoral loans" incurred by the past regime.

With the kind of debt burden the country is under, Ms Monsod, who was a *cum laude* at the University of the Philippines in 1959 and holds a doctorate in economics from the University of Pennsylvania (1964), says the Philippines will never achieve stability. One of the many options she has put forth is the controversial selective debt repudiation that has sent bankers of all stripes reaching for their tranquillisers.

Moral courage

"The debt burden is too heavy to allow for reasonable recovery," she explains. "We must therefore lower that to a reasonable burden."

She outlines the steps that need to be taken: transform short-term loans to long-term loans and conduct an item-by-item review of the debt component to show clear negligence.

"Where is the fault? If we can prove that the fault is not only in us, if there is incontrovertible evidence of malfeasance, then the lending banks should bear some of the burden of culpability. We will honour our legitimate obligations but lenders must prove legitimacy."

Her prescription, Ms Monsod maintains, is "not radical, just fair — and just."

Riding on what she calls Philippine President Corazon Aquino's biggest asset — "the moral courage to say, 'You're wrong'," — she lashed out at the conservative elements of local and international business who would rather stick by long-standing rules and traditions of the financial world.

"I'm sick and tired of thinking of things that should be done because 'it's just not done' or 'it's impossible'," she fumed in an interview with New Day magazine last April. "Cory (Mrs Aquino) showed that what was not possible actually was possible."

Besides, she argues, the country's position *vis-a-vis* the world has now changed. "Let us explore all the options. The previous Government had no options. We are acting as if we had none again."

As Neda director-general, Ms Monsod says that her work is "strictly recommendatory," that Neda itself has "no teeth" to implement the programmes that it puts together. It is clear, however, that Ms Monsod has what matters most these days — the president's ear.

During the campaign for the "snap" elections that catapulted Mrs Aquino to the presidency, Ms Monsod was one of Cory's preferred advisers on economic affairs. Having been a co-author of a series of white papers on what was wrong with the Philippine economy under the Marcos regime, she soon became must-reading for every critic of the Government. When she was appointed economic planning minister, it came as no surprise to anyone.

Neda's job, she says, is to integrate the development plans of the different ministries into an overall development plan for the country. However, with the realisation that the structure has to be changed, Ms Monsod put her former colleagues at the University of the Philippines School of Economics to conduct structural reform studies.

Structural adjustments have to be made on debt management, trade fiscal policy, monetary policy, government organisation, industry, agriculture and labour, she says.

As the main recommender of economic policy, Ms Monsod has set down seven bottom-line criteria for every policy recommendation: "Does it infringe on any human rights? Does it place the burden of recovery on the poor? Does it reward rent-seeking? Is it consistent with other measures? Does it mortgage long-run growth? Are there substitute measures that can be used? Is it compatible with the realities of Philippine society?"

Scream more

Is she being radical?

No, Ms Monsod says. She merely calls it being rational.

Also rational, she thinks, are her ideas regarding government intervention in business ("Get government out of business, it should come in only when it can do better"); foreign investments ("Foreign investors and multinational corporations should be treated in the same manner as every other investor"); and loans ("Investments from anywhere else are preferable to loans").

What makes her job a little bit easier, she says, is the preliminary work already done by the University of the Philippines School of Economics, particularly the programme for economic recovery and sustainable growth prepared in October 1985.

But what makes it difficult is "having to change the mindset of people in the Government and the entire economy." After 20 years of Mr Marcos, Ms Monsod complains, the business sector is "still waiting for the Government to tell them what to do." Despite elaborate shows mounted by the Marcos Government, emphasising dialogue with the different sectors of society, the concept of consultation, she laments, is simple not there.

At Neda, Ms Monsod is faced with the task of making the staff she inherited go through the exercise of real planning. "Neda wasn't planning," she told New Day. "It was accepting plans and putting them together."

And to make a difficult job even more difficult, she has decided to make economic planning a truly consultative exercise. Academics, government people and representatives of the private sector are asked to form informal groups and come up with their recommendations. This, she says, will make it very difficult for the people involved to take potshots at the Government's economic policies.

How does hard-headed Winnie take the fact that, as she herself put is, she has "no actual clout" in the Government? What if nobody listens?

Her eyes widen at this point as she answers, "I'm just going to scream more." — Depthnews Women's

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CSO: 4200/1220

COFFEE INDUSTRY FEARS LOSSES IN 'SOFT' MARKET

Quezon City ANG PAHAYAGANG MALAYA in English 31 May 86 p 7

[Text]

Coffee traders and exporters may lose hundreds of millions of pesos in the coming months if the world market continues to be soft.

Sources said that about 90 per cent of the remaining coffee supply is already in the hands of traders and exporters who amassed huge inventories in anticipation of higher export prices that they thought would be brought about by the suspension of the quota agreement effective Feb. 18 this year.

Prices, however, continued to decline since then. Before the suspension, prices of Philippine coffee briefly touched $4,000 per ton.

Exporters started selling in heavy volumes and replenished inventories in anticipation of even higher prices. A big trader from Cavite said he is caught with inventories bought from the farmers at P50-55 per kilo. The current indication in the export market at present is around $2,400 per ton or around P48 per kilo.

Analysts said that roasters and traders abroad overbought stocks on fears of a prolonged shortages brought about by the drought that hit Brazil and Colombia. It now appears that the production decline was overstated.

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TWELVE NEW INVESTORS COMMIT TO EXPORT ZONES

HK150621 Manila THE NEW HERALD in English 14 Jul 86 p 8

[Text] Twelve new foreign companies have committed to invest in the country's export processing zones and 47 more foreign entities have made serious inquiries and proposals regarding investment opportunities, according to newly-appointed Export Processing Authority Zone (EPZA) administrator Jaime L. Guerrero in a meeting with newsmen.

Of these 12 new investors, three have already started operations last month, while two have been given approval for registration and seven are still under evaluation for their formal registration, Guerrero said.

In another manifestation of renewed confidence in the country's investment climate, the new EPZA administrator also disclosed that 10 eixsting EPZA enterprises have expanded and added to their capital investment in the zones, aside from recent inquiries received regarding the possible use of the Bataan Zone as a transshipment and processing port for distribution of goods and materials to other countries.

EPZA records as of May this year revealed that a total of 53 firms are currently operating in the zones, with 46 of these located in the Bataan, Baguio, Mactan and Cavite regular zones while seven are to be found in the special export processing zones in Isabel, Leyte; Tabangao, Batangas; and Cabangan Point in Subic, Zambales.

For the first five months of this year, the export performance of the regular zones have generated foreign exchange reserves amounting to $71.947 million, with the special zones contributing some $77.8 million or a total export production of $150.5 million for the period. EPZA contributes about 15 percent in export earnings annually, Guerrero said.

A trade balance of $82.7 million was recorded for the period as export earnings were offset with the total importation of $67 million worth of raw materials spent by both the regular and special zones.

This year's export earnings for the first five months however, was about $6 million less than that of the same period last year, which totaled $156.3 million. Regular zones last year gave the country some $78 million in export earnings, higher by eight percent than the present figure, while the special zones generated $50.4 million, lower by 54 percent compared to this year's earnings by the Leyte, Batangas and Zambales zones.

Guerrero, citing these figures, appealed that EPZA be given a chance to do its share in the national economic recovery program and said that he was not aware of the plan to convert the zones to industrial estates proposed by National Economic Development Authority (NEDA) officials.

He said that NEDA's scheme may be based on the poor performance and corrupt image projected by the zones during Marcos' time, to which he acknowledged that even he was among those who opposed EPZA in his activities as a human rights lawyer.

However, he explained that right now, EPZA does not have to seek new foreign markets because the enterprises already in the zones have their ready foreign markets and can continuously generate foreign exchange and employment for zone workers. Thus, he said that EPZA has an edge on new policies which may be undertaken by the government, considering that the present thrust of the Ministry of Trade and Industry is to be able to gain additional footholds in the international market for local products.

"It is not easy to attract foreign buyers," Guerrero said, stressing that it would be economically advisable to retain EPZA rather than converting these to industrial estates.

To prepare the zone community, particularly the zone workers for transfer for technology which was one of the reasons for the establishment of the export processing zones, Guerrero said that one of his plans is to sponsor technical scholarships supported by EPZA enterprises and possible training abroad for those qualified to participate in his program.

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'ECONOMIC INDICATOR' COLUMN ON AGRICULTURAL OUTPUT

HK151451 Quezon City BUSINESS DAY in English 15 Jul 86 p 2

["Economic Indicator" column: "Aggie GVA up 2.6 Percent"]

[Text] The gross value added (GVA) of the agriculture, fishery and forestry sector, using constant 1972 prices, amounted to P7,008 million during the first quarter of the year, representing a 2.65 percent increase from last year's P6,827 million, according to preliminary estimates as of May 1986 released by the National Economic and Development Authority (NEDA).

Agricultural crops, which accounted for 62.71 percent of the total, contributed to the overall growth of the combined GVA of agriculture, fishery and forestry. The GVA of agricultural crops grew 3.70 percent from P4,238 million during the first quarter of 1985 to P4,395 million. This made up for the reduction in sugar cane production which fell 9.98 percent from P501 million last year to P451 million. This could be attributed to the weak prices and oversupply of the produce in the world market.

The fishery and forestry groups likewise recorded negative growths of 2.05 percent (from P1,220 million to P1,195 million) and 12.57 percent (from P175 million to P153 million), respectively.

The GVA measures the contribution of a particular sector to the country's gross national product (GNP). It is computed by subtracting the cost of production inputs from the gross output of a particular industry. The GVA at constant prices is measured in real terms and computed based on prices during the base year (1972).

Gross Value Added in Agriculture, Fishery and Forestry by Industry Group
1st quarter 1984 to 1st quarter 1986
(amount in million pesos) at constant prices

Industry/Industry Group	1984 1st qtr.	 2nd qtr.	 3rd qtr.	 4th qtr.
1. agricultural crops	4,051	3,976	2,341	5,196
palay	798	992	410	2,001
corn	284	151	496	539
coconut including copra	213	288	273	178
sugarcane	600	426	120	186
banana	180	244	234	250
other crops	1,976	1,875	808	2,042
2. livestock	485	513	530	631
3. poultry	674	650	642	623
4. fishery	1,219	1,443	923	744
5. forestry	201	262	230	72
gross value added in agriculture, fishery & forestry	6,630	6,814	4,666	7,269

Industry/Industry Group	1985 1st qtr.	 2nd qtr.	 3rd qtr.	 4th qtr.	1986 1st qtr.
1. agricultural crops	4,238	4,094	2,438	5.422	4,395
palay	948	1,181	437	2,099	1,024
corn	321	232	536	609	362
coconut including copra	238	324	383	270	286
sugarcane	501	262	7	32	451
banana	176	226	249	270	183
other crops	2,054	1,869	826	2,142	2,089
2. livestock	499	492	513	610	520
3. poultry	695	637	530	614	745
4. fishery	1,220	1,458	984	760	1,195
5. forestry	175	225	201	105	153
gross value added in agriculture, fishery & forestry	6,827	6,906	4,766	7,511	7,008

Source: National Economic and Development Authority

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BRIEFS

NPA ATROCITIES--Six farmers were tortured and killed by armed men believed to be communist rebels in a raid conducted in a remote area in Butuan. Colonel Ruben Cabagnog said the six were tied to posts, tortured, and then gunned down in the said town yesterday. Cabagnog added that the rebels, believed to be NPA members, also looted the town before leaving. Meanwhile, in South Cotobato, government troops killed 17 NPA members who demanded food and assistance from residents of Cabalagbagan town last Friday. [Text] [Manila Far East Broadcasting Company in Tagalog 0400 GMT 11 Jul 86 HK] /9274

RIGHT TO REVOLT URGED--Opposition members of the Constitutional Commission submitted a resolution which gives people the right to revolt against a repressive regime. The resolution was based on the successful uprising against the previous regime last February and is presented by Blas Ople, Regalado Maambong, Teodulo Natividad, and Rustico de Los Reyes Jr. The resolution provides that if all peaceful means have been exhausted, the people may resort to force to express their sacred rights to resist oppression and restore democracy. Meanwhile Con-Com President Cecilia Munoz Palma convened all commissioners to ensure that work would be completed as scheduled on 15 August. The members agreed to terminate all deliberations and presentations of all resolutions before the said deadline. In this connection, the Con-Com decided to hold full-day sessions beginning 14 July. [Text] [Quezon City Radyo ng Bayan in Tagalog 0400 GMT 10 Jul 86 HK] /9274

CEBU BUSINESSMEN SAID FINANCING COMMUNISTS--Most of the businessmen in Cebu City provide financial support to the communist movement. This was revealed by Colonel Edgardo Abelina, Philippine Constabulary Regional Command-7 chief. Speaking to newsmen, Abelina said intelligence reports show that several volunteers offer financial support to the rebels and even threaten and blackmail other businessmen to do so. Abelina said the constabulary is currently collecting evidence in order to file criminal charges against these people. [Text] [Quezon City Radyo ng Bayan in Tagalog 1000 GMT 10 Jul 86 HK] /9274

11 COMMUNIST REBELS ARRESTED IN CEBU--The constabulary last night arrested 11 members of the communist movement in Metro Cebu following a raid on the house of a businessman in Mandaue City. According to Captain (Manuel Ilisari), commander of the Debu Metrodiscom [Metropolitan District Command], the rebels were members of the sparrow unit, the NPA's liquidation squad, based in

Talisay. Weapons, including those taken from a PC [Philippine Constabulary] sergeant shot last Tuesday, were found in the house. The suspects are now detained at the Cebu Metrodiscom stockade. [Text] [Quezon City Radyo ng Bayan in Tagalog 0700 GMT 11 Jul 86 HK] /9274

RAID ON ISABELA REBEL HIDEOUT--Scout rangers raided a communist rebel hideout in a mountain village in Isabela last Wednesday night. Seven rebels were killed and two others captured. Colonel Herman Figueroa, Isabela PC [Philippine Constabulary] commander, said the guerrillas, who were members of the New People's Army, returned fire when the soldiers attacked. Only two of the seven killed were identified, as Ka [comrade] Judy and Ka Jojo. The two wounded were brought to PC headquarters. No casualty was reported on the government side. [Text] [Quezon City Radyo ng Bayan in Tagalog 0400 GMT 11 Jul 86 HK] /9274

POPE WARNING TO BISHOPS--Pope John Paul has told Filipino Roman Catholic bishops to avoid direct involvement in the country's politics. The pope's comments were contained in a letter to the Philippine bishops dated 28 June and released yesterday [14 July] by the Vatican. The pontiff said he wanted to encourage the Filipino Church at this point of transition marked by serious and complex problems and that he understood their concern over social, economic and political problems. [Text] [Manila Far East Broadcasting Company in English 2300 GMT 14 Jul 86 HK] /9738

CSO: 4200/1230

DAILY ASSESSES IMPACT OF LE DUAN DEATH ON SRV

BK121331 Singapore THE STRAITS TIMES in English 12 Jul 86 p 16

[Editorial: "Hanoi's Hour of Change"]

[Text] The recent reshuffle in the Vietnamese Cabinet suggests that Vietnam's old guard, which has been in command for the better part of the last 40 years, may at last be fading away. Age has no doubt been one major consideration. Most of the old guard are in their late 60s and 70s. Of the top three leaders, two--the Prime Minister, Mr Pham Van Dong, and the President, Mr Truong Chinh--are even older and are reported to be in frail health. And the third, the Communist Party General Secretary, Mr Le Duan, died on Thursday at the age of 79.

But it seems likely that advancing age and the loss of vigor that comes with it alone did not prompt the Vietnamese to make leadership changes. There is also the fact that Vietnam's old guard--venerated and experienced as it is--has quite simply failed to deliver the goods. Its dogmatic persistence with hardline socialist policies ever since the end of the Vietnam war has ensured that the Vietnamese economy remains in a perpetual state of shambles.

There has been a severe and perennial shortage of essential goods and raw materials. Foreign currency reserves have all but dried up. And a rate of inflation that touched 700 percent earlier this year has put the squeeze on wage earners and government officials alike. Under such circumstances, popular disillusionment has become difficult to ignore.

The new economic mood in the communist world may also have played a part. Liberalization is the new catchword in China and the Soviet Union, in both of which it has achieved results. It is quite possible that Vietnam does not want to be left behind. Given all this, the fact that there has been some soul-searching in the Vietnamese politburo followed by a Cabinet reshuffle should come as no surprise.

Significantly, it is principally the economic portfolios that have changed hands, and it is the proponents and initiators of economic liberalization who have gained in statute. This could have some positive implications. There may be more market-oriented policies and fewer bureaucratic strictures. Private enterprise may get the lease of life that it so desperately needs. And a more open-minded attitude to trade links with the West may come to be seen as less heretical than in the past.

Given the extent of the damage there is to be undone, such changes will take time to bear fruit. But they would be a step in the right direction. And it is likely that they will be welcomed by the people of Vietnam, particularly those in the south.

But too much should not be read into them, for there are too many things in Vietnam which show few signs of changing. Most notably, Vietnam continues to devote a monstrous 30 percent of its GNP to defense. There has been no public acknowledgement of the fact that its costly military adventures have aggravated its economic problems.

Moreover, Vietnam remains deeply and inextricably dependent on Moscow. And however earnest its hope to implement economic reform may be, it is unlikely to compromise on this relationship in any way. Thus, though such reform merits cautious approval, it would be misguided to suppose that it portends any positive political or foreign policy changes in the foreseeable future.

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BRIEFS

CANADIAN AVIATION TALKS DEADLOCKED--The second round of talks between Singapore and Canada on Singapore Airlines' [SIA] proposed flights to Canada has broken down. A Civil Aviation Authority of Singapore [CAAS] spokesman told the Singapore Broadcasting Corporation that the Canadians were not prepared to lift their restrictions which will enable SIA to run a viable service to Canada. They objected to SIA's request to fly to Canada by the Atlantic route through Greece, Italy and the Netherlands, and the Pacific route through Hong Kong and Japan. The spokesman said the CAAS would review the outcome of the talks, which they considered unsatisfactory. [Text] [Singapore Domestic Service in English 1100 GMT 11 Jul 86 BK] /9738

GOH CHOK TONG ON INDONESIA--The first deputy prime minister, Mr Goh Chok Tong, has expressed the view that Indonesia expects Singapore to play a part in keeping a common threat out of the region, should such a threat arise. He made the point in a briefing to newsmen who accompanied him on his recent trip to Indonesia. Mr Goh said Indonesia's younger military leaders regarded Singapore as an important member of ASEAN. They would like Singapore to help in the strategic interests and economic development of Indonesia. Mr Goh, who is also the defense minister, said that defense cooperations between both countries have been good and there will be a joint exercise in Medan next week. On economic cooperation, Mr Goh said there is scope for joint ventures in Indonesia. The provinces in Sumatera are quite keen on investment from Singapore. [Text] [Singapore Domestic Service in English 1100 GMT 11 Jul 86 BK] /9738

CONTROL OF MILITARY REEXPORTS--Singapore, 16 Jun (BERNAMA)--The Singapore Trade and Development Board (TDB) has been given more say to ensure that "militarily sensitive" goods imported into Singapore do not slip out of the republic into undesirable hands. The new power was found in the control of imports and exports (import and delivery verification) order 1986, which came into effect last Friday. With this, Singapore tightens control over the final destinations of goods considered "militarily sensitive" by countries of manufacture. Each year, Singapore imports more than S$1 billion worth of items categorised by importing countries such as the U.S. as "militarily sensitive." The main feature in the new order lies in the word "end-user" when an exporting country, such as the U.S. demands import certification from importing country. Under the new order, the Singapore importer also declares who exactly are the end-users of the goods concerned. They also must inform TDB of any change in the name or address of the end-user. Once the goods are in Singapore, they are not to leave the republic without government approval. "Singapore intends to protect its reputation and integrity in the use of high-tech," said an official. [Text] [Kuala Lumpur BERNAMA in English 0741 GMT 16 Jun 86 BK] /9274

CSO: 4200/1213

CRMA CLASS 9 TIES TO CHAWALIT DISCUSSED

Bangkok MATICHON SUT SAPDA in Thai 15 Jun 86 p 9

[Unattributed report: "The Path of CRMA Class 9: the Future Looks Bright Following the Appointment of Big Chiu"]

[Excerpt] The members of CRMA [Chulachomklao Royal Military Academy] Class 9 (Preparatory School Class 16) form another group of officers that will be affected by the appointment of Gen Chawalit Yongchaiyut, the former army chief of staff, to the position of RTA CINC in place of Gen Athit Kamlangek, who will hold only the position of supreme commander. The leader of CRMA Class 9 is Maj Gen Mongkhon Amphonphisit, who is attached to the Office of the Under Secretary, Ministry of Defense.

It is understood that in his capacity as the leader of CRMA Class 9, Maj Gen Mongkhon served as an aide to Gen Prem Tinsulanon, the acting minister of defense. Thus, members of this class definitely lean toward Gen Prem and Gen Chawalit. Because when Maj Gen Mongkhon was moved from his position as aide to Gen Prem and given a new post, he was replaced by Maj Gen Kasem Naphasawat, a fellow classmate. And just a few days after Gen Athit was relieved from his position as RTA CINC, there were many rumors to the effect that Col Sunthon Chaimuanwong, a staff officer on the staff of Gen Chawalit and a member of Class 9, would replace Maj Gen Narutdon Detchapradiyut (CRMA Class 8) as secretary of the army during the annual military reshuffle in October 1986.

Besides the rumors about Class 9 officers being appointed to important positions in the army in place of officers from other classes who support Gen Athit, there have also been rumors to the effect that the sudden firing of Gen Athit stemmed in part from the transfer of CRMA Class 9 officers who are "Prem" men.

Looking at those CRMA Class 9 officers whose star is now rising, it can be seen that they have never played a major role before, because CRMA Class 8 officers, who supported the previous RTA CINC, have held all these positions. Thus, most members of this class have held staff positions rather than command positions. For example, Maj Gen Mongkhon Amphonphisit, Maj Gen Kasem Naphasawat, Col Sunthon Chaimuanwong, and Col Choenchai Phinitsutharaphot serve as military intelligence staff officers. Col Niphon Chaiyaburin serves as a staff officer with the Army Aviation Center. Col Decho Sonthisiri is attached to the Civil Affairs Center, and Col Thani Seniwong Na Ayuthaya serves as a staff officer to the 1st Army Area commander. Very few members of this class have held command positions. Examples are Col Chetsatha Thanacharo, the deputy commander of the 2d Division, Col Praphatson Wisutthiphichaiphan, the former commander of 5th Cavalry Regiment, Col Klom Sadun, the commander of the 6th Cavalry Regiment, and Col Paeng Malakun Na Ayuthaya. The other members of this class serve as instructors or are attached to various offices in the army.

"We haven't thought about this very much. It is up to our superiors to make the decisions on appointments. We can't say anything about this. Every soldier must obey his orders. Soldiers can't voice an opinion on this. When you are assigned a position, you can't express dissatisfaction. The orders of your superiors are final," said a member of CRMA Class 9 to MATICHON.

"All we hope is that we will have a chance to work on behalf of the people. As soldiers, our duty is to defend the country and protect what is right. Our class still has strong unity. The reports that there are splits are definitely false. Everyone comes to the class parties," said another member of Class 9 with a smile when he was asked about class relations.

"We discuss matters with each other, because we are all friends. We have lived and worked togehter ever since we were students. We have served in the military together ever since. Whenever something arises, we discuss it together. Friends have to act like friends. That is a common principle. For soldiers in particular, if there is unity within the class, we are happy," said another Class 9 officer about mutual understanding among class members.

The present again looks very bright for members of CRMA Class 9. The members of this class have been very patient for a long time. This October will probably be a time of great change for members of this class. Thus, it will be worth watching to see who is assigned to which position during Gen Chawalit Yongchaiyut's tenure as RTA CINC.

11943
CSO: 4207/277

THAILAND

CHUTHAI DISCUSSES POSTRETIREMENT POLITICS

Bangkok MATICHON SUT SAPDA in Thai 15 Jun 86 pp 11, 12

[Interview with Gen Chuthai Saengthawip, the inspector general of the armed forces; date and place not specified]

[Excerpts] [Question] You are known as an outspoken man who is not afraid to act or to express your opinion. Who was your model?

[Answer] My father (Mr Chuang Saengthawip).

[Question] As a soldier, what principles do you follow in your life?

[Answer] The thing that I have always held to is that when you are born a man, you have to fight for what is right. You have to fight for justice and honesty without fear of influential people. You have to dare to think. And if you know that you are right, you have to dare to speak out and act. Another thing is that besides being loyal to nation, religion, and monarchy, soldiers must be loyal to the military. They must love their friends and subordinates and respect their superiors. But the interests of the nation must always come first.

[Question] How did you feel when the prime minister, in his capacity as the minister of defense, transferred you from the position of deputy RTA CINC to the position of inspector general of the armed forces?

[Answer] I was transferred and given the grade of field marshal by royal command, and, therefore, I view this as an honor. This is a great honor to my family. I must respond to this great honor by carrying out my new duties as well as I can until I retire.

[Question] Does that mean that you will not resign at this time?

[Answer] Neither I nor the supreme commander intend to resign. That would give people the impression that we were concerned about power or about losing power. But actually, holding those positions was not a matter of power. We were serving the country in accord with the orders of our superiors. We are soldiers and so when our superior gave the order, we had to obey.

[Question] What duties does the inspector general of the armed forces have?

[Answer] The inspector general has very broad duties. I have to inspect the activities of all three branches of service and carry out other tasks of the Ministry of Defense as directed by the prime minister in his capacity as minister of defense. I also have to implement the policies of the supreme commander in carrying out military activities.

[Question] It is said that after you retire, you will become involved in politics. When did you become interested in politics?

[Answer] I have been interested in politics ever since I was a youth, because my father was mayor for nine terms. During that period, he fought against corrupt government officials who oppressed the villagers. He stood on the side of the people and made sacrifices for society. For example, he donated land to build a municipal school, a hospital, and other public projects. For this, he was praised as a model person during the administration of Field Marshal Thanom Kittikhachon. As for me, I consider myself to be a professional soldier. I am interested in politics, but I haven't been involved in politics.

[Question] What got you interested in playing politics?

[Answer] Although I am a professional soldier, I am knowledgeable about economics. I have a degree in economics from Thammasat University. I have constantly followed the country's economic situation with great concern. But because I am a soldier, I have not thought about getting involved in politics. It is up to each administration to solve those problems. Actually, I became involved in politics only after I was appointed senator a short time ago. I intend to get involved in politics after I retire because politics got involved with me first even though I was a professional soldier.

[Question] In what way will you engage in politics after retiring?

[Answer] I will establish a political party and engage in this fully. I don't have to be the party leader. In playing politics, I will continue to hold to the principles and ideals that I mentioned earlier. Those who join the party must be prepared to make sacrifices for the country. They can't join in the hope of gaining rank or position. They must be willing to sacrifice personal interests for the good of the country. They can't expect to become a minister. If everyone wants to become prime minister or minister, things will just become worse here. The country will fall apart. Take local politicians, for example. I think that they pose a great danger, because they are loyal only to their friends. This is bad for the interests of the country as a whole. These people are very selfish.

[Question] From which groups will you derive support?

[Answer] I will do this regardless of whether I play politics. I must find a power group that is honest and just. I will focus on those groups. Those in Bangkok are too wasteful. Their main goal is to help their business activities. If we lack money, we can take a loan from the bank. I can stand guarantee. I think that good results would be achieved if we watched them closely. MPs shouldn't be allowed to become ministers. If they want to be a minister, they should have to resign in order to have a new election. But I don't know if that will happen. That is one of my ideals. Power groups and members of the national reserves and Volunteer Defense Corps will have to unite.

[Question] Many people say that the Mass Development Company is a sleeping partner. As a shareholder, how do you feel about this?

[Answer] That's what people say. But they don't know that part of the income is returned to the people. This is a political matter now. Regardless of what you do, you are criticized for political reasons. It's strange. There have been many problems ever since the company was established. We have been attacked. But that's all right. People view things differently. It all depends on how you look at things.

[Question] Many politicians have said that the prime minister must be elected by the people directly. Do you agree with this?

[Answer] This is a very dangerous matter. We have considered the real intentions behind this idea, what the next step is, whether this is suitable, and what institutions this would affect. We also have to consider the values of the people. Thailand should have a democratic system with the king at the head as our guiding light and leader.

11943
CSO: 4207/277

BRIEFS

STATEMENT ON USSR TIES--Taking into consideration the cordial and friendly relations existing between them, the governments of the USSR and the Republic of Vanuatu have taken the decision to establish diplomatic relations at embassy level. Both governments have established diplomatic relations in accordance with the principles of international law and primarily those tenets which concern the equality of states, mutual respect for one another's sovereignty, independence, and territorial integrity, the right to self-determination, noninterference in the internal affairs of the other state, respect for obligations stemming from participation in international treaties, and the peaceful solution of disputes. They also state that they reject colonialism, neocolonialism, apartheid, and all forms of discrimination. The governments of the USSR and the Republic of Vanuatu have agreed to appoint concurrent ambassadors within a practicable period of time. [Text] [Unattributed "Joint Statement on the Establishment of Diplomatic Relations Between the USSR and the Republic of Vanuatu"] [Moscow PRAVDA (First Edition) in Russian 30 Jun 86 p 5] /9604

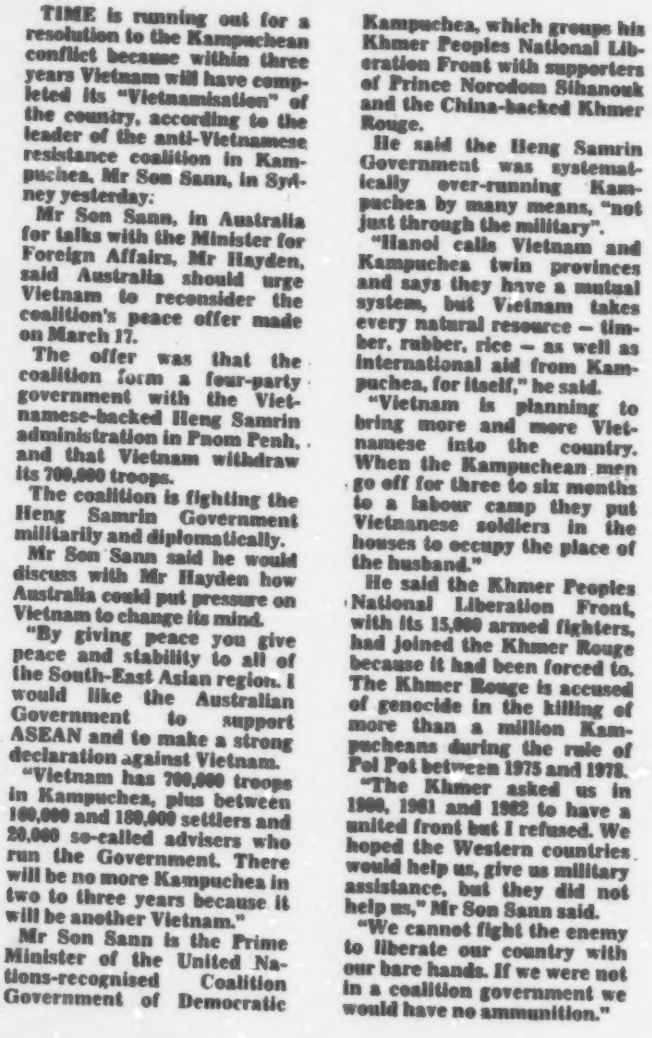
CSO: 1800/504

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

SON SANN SEES TIME RUNNING OUT FOR RESOLUTION OF CONFLICT

Sydney THE AUSTRALIAN in English 5 May 86 p 3

[Text]



TIME is running out for a resolution to the Kampuchean conflict because within three years Vietnam will have completed its "Vietnamisation" of the country, according to the leader of the anti-Vietnamese resistance coalition in Kampuchea, Mr Son Sann, in Sydney yesterday:

Mr Son Sann, in Australia for talks with the Minister for Foreign Affairs, Mr Hayden, said Australia should urge Vietnam to reconsider the coalition's peace offer made on March 17.

The offer was that the coalition form a four-party government with the Vietnamese-backed Heng Samrin administration in Pnom Penh, and that Vietnam withdraw its 700,000 troops.

The coalition is fighting the Heng Samrin Government militarily and diplomatically.

Mr Son Sann said he would discuss with Mr Hayden how Australia could put pressure on Vietnam to change its mind.

"By giving peace you give peace and stability to all of the South-East Asian region. I would like the Australian Government to support ASEAN and to make a strong declaration against Vietnam.

"Vietnam has 700,000 troops in Kampuchea, plus between 100,000 and 180,000 settlers and 20,000 so-called advisers who run the Government. There will be no more Kampuchea in two to three years because it will be another Vietnam."

Mr Son Sann is the Prime Minister of the United Nations-recognised Coalition Government of Democratic Kampuchea, which groups his Khmer Peoples National Liberation Front with supporters of Prince Norodom Sihanouk and the China-backed Khmer Rouge.

He said the Heng Samrin Government was systematically over-running Kampuchea by many means, "not just through the military".

"Hanoi calls Vietnam and Kampuchea twin provinces and says they have a mutual system, but Vietnam takes every natural resource — timber, rubber, rice — as well as international aid from Kampuchea, for itself," he said.

"Vietnam is planning to bring more and more Vietnamese into the country. When the Kampuchean men go off for three to six months to a labour camp they put Vietnanese soldiers in the houses to occupy the place of the husband."

He said the Khmer Peoples National Liberation Front, with its 15,000 armed fighters, had joined the Khmer Rouge because it had been forced to. The Khmer Rouge is accused of genocide in the killing of more than a million Kampucheans during the rule of Pol Pot between 1975 and 1978.

"The Khmer asked us in 1980, 1981 and 1982 to have a united front but I refused. We hoped the Western countries would help us, give us military assistance, but they did not help us," Mr Son Sann said.

"We cannot fight the enemy to liberate our country with our bare hands. If we were not in a coalition government we would have no ammunition."

/9274
CSO: 4200/1201

DISSIDENTS SAID TO THREATEN KPNLF EFFECTIVENESS FROM WITHIN

Bangkok THE NATION in English 4 Jun 86 p 3

[Text]

PARIS — Kampuchean guerrilla leader Son Sann said Monday his non-communist resistance movement was still threatened from within by dissidents who last year rebelled against his leadership.

Son Sann, president of the Khmer People's National Liberation Front (KPNLF), said he enjoyed majority support within the organization but had failed to completely heal the rift because of outside interference.

He refused to elaborate but diplomats say Thailand, whose border is dotted with Kampuchean refugee camps, backed rebellion last December by senior guerrilla commanders contesting Son Sann's position.

"There is still a problem of discipline... Those who staged the coup last year are still trying to divide the front," Son Sann told Reuters during a visit to Paris.

The KPNLF is one of three anti-Vietnamese resistance groups. The others are forces loyal to Prince Norodom Sihanouk and the communist Khmer Rouge.

In an effort to stamp out the rebellion, Son Sann in February replaced his chief of staff Sak Suthsakarn and other senior commanders who challenged his authority.

Son Sann, prime minister in the United Nations-recognized coalition government, has previously insisted the dispute was over but Monday acknowledged continuing dissent.

"Some partisans of Suthsakarn are still causing trouble and trying to force me to resign," he said.

Diplomats say that internal bickering and Vietnamese pressure have taken a heavy toll on the effectiveness of the front, which once claimed over 15,000 men in the field.

Son Sann said he had visited his forces recently to try to restore discipline but that problems within the military would have to be solved largely by his guerrilla commanders.

"As president of the front, I have full political, civil and diplomatic authority. But military matters have been run by my commanders in the field since 1985," he said.

In May 1985 Son Sann handed over control of day-to-day military matters to Suthsakarn, who subsequently turned against him in the December rebellion.

Diplomats say Son Sann has lost the confidence of many military leaders and that the front has been effectively led by a Thai-organized ad hoc military committee. — Reuter

/9274
CSO: 4200/1201

STATE COUNCIL CHAIRMAN CONGRATULATES HONECKER

AU081446 East Berlin NEUES DEUTSCHLAND in German 1 Jul 86 p 2

[Message from Truong Chinh, chairman of the SRV Council of State, to Erich Honecker, SED Central Committee general secretary and GDR State Council chairman]

[Text] Comrade Erich Honecker
SED Central Committee general secrertary and GDR State Council chairman
Berlin

Dear Comrade Erich Honecker!

On your reelection as GDR State Council chairman, I want to express the most cordial congratulations on behalf of the Vietnamese people, the SRV Council of State, as well as on my own behalf.

The Vietnamese people are very pleased with the great successes which the fraternal GDR people have achieved in many fields and wholeheartedly wish them even bigger successes in further shaping the developed socialist society.

I am firmly convinced that the friendship and fraternal cooperation between our two countries will constantly and universally strengthen and develop on the basis of Marxism-Leninism and proletarian internationalism as a contribution to strengthening the socialist community and to safeguarding world peace.

I wish you much health, creative vigor, and many new successes in fulfilling your highly responsible work.

[Signed] Truong Chinh
SRV Council of State chairman

/6662
CSO: 4620/55

INTERNATIONAL RELATIONS, TRADE, AND AID VIETNAM

BRIEFS

AID TO VIENTIANE FACTORIES--A ceremony was held recently in Vientiane to inaugurate and to turn over to the industrial service of this city the soda and carbonate factories built with the assistance of the Ho Chi Minh City industrial service. After a period of training in Ho Chi Minh City, Lao cadrescadres and workers have been able to run these two factories. [Summary] [Hanoi Domestic Service in Vietnamese 0500 GMT 10 Jul 86 BK] /9738

CSO: 4209/677

BRIEFS

HO CHI MINH CITY--Some 1,000 delegates representing various mass organizations in Ho Chi Minh City on 10 July attended meeting to hear Comrade Mai Van Bay, head of the delegation of the Ho Chi Minh City national assembly deputies, report on the results of the recent 11th session of the seventh National Assembly. The meeting was organized by the city VFF committee and Trade Union Federation. [Summary] [Hanoi Domestic Service in Vietnamese 2300 GMT 11 Jul 86 BK] /9738

CSO: 4209/677

BRIEFS

HA SON BINH RESETTLEMENT--Over the past 6 months, Ha Son Binh Province has resettled 791 families, comprising 3,349 people and 1,487 laborers, in its new economic zones. Various responsible sectors in the province have promptly created favorable conditions for the new settlers to engage in crop cultivation. [Summary] [Hanoi Domestic Service in Vietnamese 2300 GMT 9 Jul 86 BK] /9738

NEW ECONOMIC ZONES--Over the past 6 months, Da Oai District, Lam Dong Province has received some 16,000 people as new settlers from Nghia Binh, Binh Tri Thien, Ha Nam Ninh, Ha Son Binh, and Hanoi. Thanks to adequate preparations, they have soon stabilized their lives and engaged in production. Hundreds of hectares of wasteland have been reclaimed for the cultivation of manioc, corn, and beans. With the mechanical force's active assistance in land reclamation and road construction, people in the new economic zones in Da Oai district have, over the past 6 months, broken more than 10,000 hectares of fallow land, 0.2 hectare of which has been distributed to each household. [Excerpt] [Hanoi Domestic Service in Vietnamese 1100 GMT 5 Jul 86 OW] /9274

CSO: 4209/672

BRIEFS

XIENG KHOUANG BUS SERVICE--The passenger transport enterprise No. 12-A on 8 July started a new bus service on Route 7 twice a month to meet the traveling demands of Vietnamese cadres and workers and Lao students. The bus service, which covers a distance of 495 km, also provides facilities for overnight passengers. [Summary] [Hanoi Domestic Service in Vietnamese 0500 GMT 9 Jul 86 BK] /9738

CSO: 4209/677

- END -

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Southeast Asia Report

VIETNAM

TAP CHI CONG SAN

No 4, APRIL 1986

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VIETNAM

TAP CHI CONG SAN

No 4, April 1986

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THE HISTORIC MISSION OF THE WORKING CLASS

Hanoi TAP CHI CONG SAN in Vietnamese No 4, Apr 86 pp 1-5, 8

[Editorial]

[Text] One hundred years have passed since 1 May 1886, the day on which the workers of Chicago noisily took to the streets in a demonstration demanding an 8-hour workday as called for in a resolution of the American Federation of Labor. This struggle resulted in victory. This was an extremely important event in the history of class unity and the struggle of the working class against the capitalist exploiters. Each year since then, 1 May has been celebrated as International Labor Day, the day of struggle of the workers and laborers of the entire world, the day on which they display their strength and solidarity. In our country, when the French imperialists still ruled, the working class engaged in intense and often bloody struggle on 1 May in numerous years and, in prison, revolutionary militants celebrated 1 May in the face of enemy guns. When the working class seized political power, 1 May became the great festival of workers, of all the people, one for which they emulate to record achievements and on which they display their solidarity with the workers of all countries.

During these 100 years, the doctrine of K. Marx, F. Engels and V.I. Lenin has been and continues to be the scientific base, the platform, the compass of the worker movement throughout the world. On the basis of analyzing capitalist society and the mechanism of exploitation employed by the bourgeoisie, K. Marx and F. Engels discovered the laws of development of society and made scientific predictions concerning the inevitable destruction of capitalism and the inevitable victory of socialism. At the same time, they discovered the mission of the working class as the class that will dig the grave of the bourgeoisie. In the "Communist Manifesto" as well as other works, they clearly showed that capitalist society came into being at the same time as the revolutions in the modes of production and trade, at the same time as the birth of large-scale industry. This was an advance in history. However, the history of capitalism has been a history filled with bloodshed. It has not abolished class antagonisms, but only simplified these antagonisms as antagonisms between classes that are opposed to each other in every way: the bourgeoisie and the proletariat. In capitalist society, there are no interpersonal relations other than those based on cold cash, on the unfeeling and impersonal "cash on delivery" way of doing things. Due to its internal laws, as this society develops, its fundamental antagonism--the antagonism between production forces and the private ownership of the means of production--becomes increasingly acute and takes the form of cyclical and structural crises accompanied by bitter class struggles to bring about the collapse of this society. When capitalism developed into imperialism, V.I. Lenin called it parasitic capitalism, dying capitalism.

Capitalism itself forges the weapons that will kill it. At the same time, it molds the persons who will use these weapons, that is, modern workers, proletarians. Only they can undertake this mission. Because, they are the most revolutionary of all the classes opposed to the bourgeoisie. They are the class that stands in the center of our times. They represent the modern mode of production. They have grown up together with large-scale industry. On the other hand, because the social status of the proletarians of all countries is similar and their struggle is international in nature, they are united on a worldwide scale in terms of ideals, goals and forces.

During the past 100 years, the world working class has experienced different stages of difficult and bitter struggle but has always moved forward. The working class began the struggle against the bourgeoisie as soon as it was born. At first, it was only a "class of itself." Its struggle was carried out by individual workers and persons, by the workers of one shop, of one industrial sector or one locality against the bourgeoisie who were directly exploiting them. Back then, they not only attacked bourgeois production relations, but even attacked means of production by smashing machinery, setting fire to factories and destroying imported goods. Back then, they were only a fragmented and divided force among the masses.

With the development of industry, the forces of workers steadily grew. Marxism-Leninism permeated the mass of workers and gradually brought a sense of organization and consciousness to their movement. Once a "class of itself," it became a "class for itself." At this point, they consciously established national and international alliances. Their struggle became increasingly political in nature, progressing from economic slogans to political slogans, or a combination of the two. On the other hand, they have had to wage a bitter struggle within the movement against incorrect ideological trends, from the opportunism of the 2nd International and the chauvinist nationalism of World War I to the revisionism of Bernstein and Kautsky, the philosophy of the social-democrats, right wing trade unionism... This struggle has lasted to this very day.

The greatest achievement of the international worker movement was the victory of the Russian October Socialist Revolution, which ushered in a new age--the age of the transition from capitalism to socialism on a worldwide scale. This victory gave birth to the first proletarian state, the citadel of revolution of the working class and oppressed peoples of the entire world. Since World War II, the international worker movement has developed by leaps and bounds, both in size and quality. An entire system of socialist countries has been formed and become the factor determining the direction of development of mankind. A host of countries that are socialist in their orientation has come into being outside the capitalist world. The working class is in the vanguard of the three tides of revolution of our times that are repeatedly attacking the capitalist world. In the socialist countries, the working class has become the master of the country, become the builder of a new society, become "a federation within which the free development of each person is the prerequisite for the free development of everyone."(1) Here, the working class has become the dominant class. Their labor is the base of the system of modern production. Through their vanguard party, they organize and lead every socio-economic process. In the lead is the working class of the Soviet Union, the greatest superpower, which is moving strongly down the path of communist construction.

In the capitalist countries, the fortress of capitalism has been and is shaking in the face of the waves of struggle by large numbers of workers and laborers. In these countries, new economic-technical phenomena have emerged. The development of production forces, the new division of labor and the application of achievements of the scientific-technological revolution have led to a situation in which social labor is being increasingly concentrated not only in the field of production, but also in the services, distribution and management. As a result, the structure of the working class has changed and more and more "white collar workers" have appeared. With this, bourgeois and reformist propaganda organs have advanced the arguments that the working class no longer has an historic role to play, that it has lost its revolutionary character and is no longer the moving force behind social processes, that this role has been assumed today by another strata, mainly intellectuals! Many reformist social-democrat parties have advanced the theory of a "social marriage," that is, class cooperation and the abolition of class struggle. In fact, however, the working class in the capitalist world continues to be the determining force in the creation of social wealth, continues to be the primary force behind social progress. Their nucleus lies within those industrial sectors that have been nationalized, within the enterprises of powerful capitalists that are equipped with the most modern means of production. There is still a very large number of persons working within sectors that are not directly related to the field of production who are also being exploited and have joined the working class or are allies of the working class. Instead of being "buried," the working class continues to be the class leading the struggle for the welfare of the people, for democracy, peace and socialism. Bitter class battles, demonstrations by millions of persons demanding economic rights, demanding "jobs in place of missiles," the occupation of factories for many days, marches for peace, marches against the arms race...eloquently prove this fact.

In the countries of the "Third World," the national liberation and social liberation movements have won large victories in recent decades. The corps of the working class has constantly grown. The working class has always been in the vanguard of the struggles against oppression and exploitation by multinational corporations, against control by the International Monetary Fund, against the policy of the U.S. imperialists of letting the consequences of the arms race, of the economic crisis fall upon the heads of the people of their country and against social inequality. A powerful wave of struggle is surging throughout such countries as Brazil, Chile, Peru, Bolivia, Sri Lanka, Bangladesh, Thailand, the Philippines, Pakistan, Zaire and so forth. In these struggles, an increasingly high sense of organization and level of consciousness have been displayed. Many political demands have emerged, such as demands for the dismantling of anti-popular social orders, for the removal of reactionary dictatorial regimes, for the democratization of social life, for the implementation of a politically and economically progressive foreign policy and for the implementation of a policy to safeguard peace and promote peaceful coexistence. As V.I. Lenin said: "...The vast majority of the world's population has, in the final analysis, been educated and trained in struggle by capitalism."(2)

During the past 100 years the world has undergone fundamental changes. This has been largely due to the role and struggle of the international working class. This is a source of pride and honor. Of course, their historic mission remains complicated and difficult and will not be completed until the ideals of communism have been achieved on our entire planet. A working class must carry out this mission under the specific conditions of its country. In view of the current complex and tense international situation, the foremost and pressing task of all workers is to struggle for peace, struggle to save mankind from a nuclear holocaust. As Gorbachev said in his opening address at the recent 27th Congress of the CPSU, peace and socialism, peace and creativity are closely linked. In the final analysis, the struggle for peace is aimed at preserving life on our planet and building a social system free of exploitation and war, a society in which "the international principle will be Peace because this one principle will prevail within each and every nation--the principle of labor!"(3)

The Vietnamese working class was born within a colonial and semi-feudal country that was neither independent nor free. They were oppressed by three strata, by imperialists, feudalists and capitalists. They have close ties to farmers. The Vietnamese working class has no workers' aristocracy nor has it experienced a lengthy period of economic struggle under the control of trade unionism as the working class of the developed capitalist countries has. It was born at a time when the feudal class had surrendered to the imperialists, when the bourgeoisie, which had emerged late and was weak, only wanted to compromise with the imperialists and when the various strata of petty bourgeoisie, although enthusiastic and spirited, were frustrated from the standpoint of ideology. Therefore, "the bravest and most revolutionary of the classes, the class that always courageously struggles against the colonial imperialists is the working class. With its vanguard revolutionary theory and the experience of the international proletarian movement, our working class has shown itself to be the most deserving and trustworthy leader of the people of Vietnam."(4)

Before the birth of its vanguard unit, the struggle waged by the Vietnamese working class was spontaneous in nature. After Ho Chi Minh brought the light of Marxism-Leninism to Vietnam, especially after the Communist Party of Vietnam was born, they came to the realization that to liberate themselves, it was first of all necessary to liberate the entire nation and that the only way to liberate themselves, liberate the nation was to wage a thorough revolution in the example of the Russian October Revolution. With that, the working class established a correct revolutionary strategy and method. This was the factor that enabled the working class to unite and rally the broad masses, vigorously develop upon the nation's best attributes and combine the class, national and international factors to achieve the combined strength of the Vietnamese revolution.

With this strength, our people have written their history in a conscious and organized manner and won resounding victories over the past several decades while making worthy contributions to the great cause of struggling for the liberation of mankind from every system of oppression and exploitation.

However, a long road still lies ahead. As the leading class, our working class has the historic mission of joining the rest of the people in building a Vietnam of comfort, prosperity, strength and happiness and firmly defending the socialist fatherland against each imperialist and expansionist enemy. Our country's revolution has yet to emerge from the initial stage of the period of transition. The difficulties we face are many. In the immediate future, the working class must take the lead in the efforts to successfully meet the five socio-economic goals set by the 5th Party Congress, successfully implement the 1986 state plan, stabilize the socio-economic situation, stabilize living conditions, build the new management mechanism and advance in a worthy manner to the party's 6th Congress. As the persons who control the key arteries of the economy, our working class must restructure production and develop the economy with high productivity, high quality and high efficiency. At the same time, they must practice thorough frugality and take determined steps to protect socialist property and combat corruption and waste.

As the masters of their enterprises, the masters of the country, our working class must, through its organization, the trade union, actively participate in the management of production, display initiative and creativity with a view toward developing and making rational use of every potential that lies in materials, equipment and labor, display a high spirit of working in a disciplined and technical manner, uphold proletarian ethics and combat individualism.

As persons who subscribe to internationalism, our working class must fulfill its international obligations well, unite and cooperate with the workers of other countries, most importantly with the workers of Laos, Cambodia, the Soviet Union and the other socialist countries, support the struggle by the workers and laborers of other countries for national liberation and social liberation and join them in a determined struggle to safeguard peace.

To commemorate the 100th International Labor Day, our party, the vanguard unit of the working class, must grow even stronger, strengthen its class nature and its vanguard nature, strengthen its solidarity and unanimity, purify its corps and strengthen its relations with the masses so that it can lead the working class in fulfilling its mission. Every cadre and party member must cultivate the steadfast stand of the working class. This stand must be expressed in unquestioned loyalty to the party, to the people, in a determined struggle to achieve the goals set by the party, in strict compliance with the resolutions of the party, in setting an example for the masses, in displaying the revolutionary qualities of "diligence, honesty, fairness and unselfishness and in cultivating a new style of leadership and working: a dynamic, thorough and creative style.

FOOTNOTES

1. K. Marx and F. Engels: "Selected Works," Su That Publishing House, Hanoi, 1980, Volume I, p 569.
2. V.I. Lenin: "Collected Works," Progress Publishers, 1978, Volume 45, p 458.
3. K. Marx: "The 1871 Civil War in France," Su That Publishing House, Hanoi, 1961, p 35.
4. Ho Chi Minh: "Tuyen tap",[Selected Works], Su That Publishing House, Hanoi, 1980, Volume 2, p 153.

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A VICTORY OF THE ENTIRE COUNTRY

Hanoi TAP CHI CONG SAN in Vietnamese No 4, Apr 86 pp 6-8

[Speech by Le Duc Tho to the Editorial Board of TUOI TRE Journal (Ho Chi Minh City) in April 1985, published in commemoration of the 11th anniversary of the victory of the resistance against the United States for national salvation]

[Text] The anti-U.S. resistance struggle for national salvation was a war waged by the entire country to fight the U.S. aggressors for 15 years under the party leadership and in alliance and coordination with our friends in the Lao and Cambodian theater of operations.

The southern people in direct confrontation with the U.S. imperialists took up arms to wage a people's war, built the three categories of troops, and staged uprisings. In building a major regular army, we had to rely on a great rear to feed and train troops and to build and send regular forces to the South so that they could be combined into the three categories of troops to fight the enemy. The South was a great frontline and the North a great rear. The people on both the frontline and rear were of one mind to fight the enemy.

In the northern rear, the enemy also waged a war of heavy destruction. In this war, the enemy was aiming its attacks on warehouses, roads and bridges to prevent our supply and shipments to the South. Not only that, it also destroyed factories, hospitals, schools and villages--some of which along the routes of shipment were turned into bare land.

Many villages had nearly all their youths enlisted into the army. Many families had three to eight sons in the army. Many northern villages now have hundreds of surviving families of these fallen heroes. So it is understandable that our struggle could be called a fight waged by the whole country.

In the South, we formed a battle position of the people's war to drive a three-pronged attack on the enemy in three regions using the combined force of three categories of troops. By so attacking, we could only balance gradually our forces and the forces of the enemy and could control only a large part of the rural and mountainous areas. Consequently, if the war was to be ended victoriously, the regular force had to deal a punch to the enemy's nerve center and only then could the war situation be finally settled. This was the reality of our 15-year fight against the United States.

Uprisings in rural areas to control and win over the administration were different from those in cities because in the rural areas the enemy's coercive apparatus was flimsy and crumbling due to continuous three-pronged attacks from mountains and lowlands. As a result, uprisings in rural areas to gain control was easier. In cities, the enemy's last hideouts, its defense was firmer and stronger and its coercive machinery was also heavy. The war in cities could therefore be waged only by using sappers and special action units and the mass struggle movements to weaken the enemy. Local forces could not be used to stage upheavals and gain control. To definitively win over the administration in cities, there had to be a punch by the regular force. This punch combined with the action by sapper and special units could break the enemy defense line, create favorable conditions for the masses to rise up and seize power, and finally resolve the war.

Looking back in history, we could see that victories on the battlefields allowed the Paris conference to drive the Americans from the country and basically changed the balance of forces between us and the enemy.

After the Americans had withdrawn from the country, we concentrated our forces on eradicating the puppet forces and liberating the South. Following the Paris conference, knowing for sure that the enemy would sabotage the agreement, the party Political Bureau issued a directive to prepare immediately forces for the general offensive.

At the Paris conference, we told Kissinger: Your Vietnamization plan will surely fail. In the past, with half a million troops and the bulk of its naval and air forces committed, the United States was still defeated. Now that the U.S. troops have been forced to withdraw from Vietnam and only the puppet armed forces are left, how can the United States hope to win?

In his memoirs, Kissinger admitted that this analysis was right on the mark, that the United States was in a military dilemma, and that our words went right to his heart and gave him a terrible headache. We recalled Kissinger's admission to show that after the Paris agreement was signed, the balance of forces was radically changed, dooming the United States and its puppets to defeat.

In the wake of the Paris agreement, the puppet forces, assisted by the United States, kept on fighting in violation of the accords. The southern armed forces and people struck back resolutely. Our victories in the Mekong River delta, central Trung Bo, and Phuoc Long Province exposed the puppet troops' Achilles' heel. Then the Political Bureau decided to launch the 1975 spring general offensive that lasted 55 days and nights and which started with the opening blow struck by our main forces against Buon Ma Thuot. This offensive was the fruition of the 15-year war conducted by the entire country against the U.S. aggressors and the culmination of the party's military line and art.

After Comrade Van Tien Dung and I were sent by the Political Bureau to Loc Ninh to join the comrades of the Central Office for South Vietnam [COSVN] and the Military Party Commission for South Vietnam in guiding the 1975 spring offensive and uprising to the end, we held discussions and unanimously agreed to suspend implementation of the plan devised by COSVN and the southern Military Party Commission calling on villages, districts, and provinces to liberate themselves following the liberation of the Central Highlands. Instead, these localities must wait for and coordinate with the main forces participating in the Buon Ma Thuot, Tri Thien [Quang Tri and Thua Thien Provinces] and Da Nang campaigns to launch, together with the main forces of B-2, a final campaign code-named Ho Chi Minh against Saigon. Only in this way would we be able to quickly defeat the enemy. In the meantime, the forces of the B-2 provinces would switch to small-scale attrition and annihilation attacks and enemy proselytizing activities while readying their forces for the opening of the Ho Chi Minh campaign in Saigon. At that time, the B-2 provinces' forces would coordinate with the main forces to attack and occupy various cities. As it turned out, after the enemy was forced to surrender following our attacks against Saigon, most of its forces in the B-2 provinces disintegrated, creating highly favorable conditions for these provinces to seize power with minimal losses.

Our general offensive launched against Saigon's defense belt under the motto "Attack to Win" lasted 4 days, from 26 to 30 April. The amount of blood shed during these 4 days was in no way small. These 4 days saw the coordination between the main forces and local troops including sappers, commandos, and our bases inside the city. Though all of these troops were indispensable, the main forces played the key role. The battle at the belt of Saigon was fierce and marked by many examples of noble sacrifices.

Thousands of sons and daughters belonging to different categories of forces from all parts of the country had fallen on the outskirts of the city when peace was only 24 hours away. That was the greatness of the Vietnamese soldier. That was something we will never forget.

For 15 years, the entire country, together with the South, fought against the U.S. aggressors, each family making sacrifices and suffering death so that the liberation flag might on day flutter in the city. During these 15 years of fighting against the aggressors, we advanced from one victory to another and finally created the opportunity for the main forces to strike the decisive blow. This victory is a victory of the entire nation under the leadership of the party and great Uncle Ho. This great merit belongs to all the combatants who have fallen in all parts of the country. This is a victory of our time, of progressive mankind who supported Vietnam in its triumphant struggle against the U.S. aggressors.

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GAINING A MORE THOROUGH UNDERSTANDING OF THE TWO STRATEGIC TASKS OF BUILDING AND DEFENDING THE SOCIALIST FATHERLAND

Hanoi TAP CHI CONG SAN in Vietnamese No 4, Apr 86 pp 9-12

[Article by Senior General Hoang Van Thai]

[Text] "Successfully building socialism" and "being ready to fight and firmly defend the socialist Vietnamese fatherland" are the two basic and urgent strategic tasks of our country's revolution today. Our party considers these tasks to be the responsibility of the entire party, all the people and all the armed forces, of all levels, sectors and mass organizations, of the entire proletarian dictatorship system in our country during the current stage. These two tasks must be carried out at the same time and be closely coordinated.

Following 10 years of building and defending the socialist fatherland, particularly following the two wars fought to defend the fatherland in 1978 and 1979, this strategy of the party has been clearly shown to be correct.

This strategy has gradually been concretized in the form of party resolutions and decisions by the state: the Political Bureau resolution on national defense work, the Military Service Law, the Army Officers Law and the decrees and decisions of the Council of Ministers concerning mobilization work. Together with carrying out the work involved in economic construction and cultural development, the various levels and sectors have begun to carry out the work of preparing the country and strengthening our national defense system. Some localities have conducted mobilization exercises. Some economic sectors have organized mobilization agencies and held mobilization exercises. All the people, beginning with youths and students, are gradually being provided with an education in national defense.

However, there are still more than a few agencies of the party and state on both the central and local levels that have yet to truly carry out these two strategic tasks simultaneously or closely link one to the other. This is specifically reflected in the fact that they do not have a full understanding of the party's military line, the line on the national defense system of all the people, the people's armed forces and the people's war, during the period of building and defending the fatherland and in the fact that strategic national defense planning has not been discussed in a manner closely tied to long-term economic strategic planning. The Military Service Law is not widely understood nor is it being thoroughly implemented. The system of mobilization organizations has not been completely put in place nationwide. Many sectors have only just begun this work and some have not even started yet. As regards mobilization preparations, although more attention is being given to this matter and although some jobs have been performed, this efforts has not yet taken the form of specific policies, plans and measures, not yet taken the form of regulations or been put on a regular basis.

The fact that our entire country is building socialism and also finds itself in the special situation of having to constantly deal with a new, immediate and dangerous enemy, the Chinese expansionists and hegemonists, who are acting in collaboration with the U.S. imperialists and international reactionaries, makes it even clearer that we have an urgent need to closely link socialist construction to the defense of the fatherland in all fields of activity and correctly apply the law of building the country in conjunction with defending it. In addition, the enemy's mainland, airspace and offshore waters adjoin ours and they are anxious to carry out their schemes to weaken, conquer and annex our country. Their hostile policy toward our country's revolution has never changed, except to become more cunning and insidious. They are trying to pursue a "friendly smile" foreign policy toward many countries but refuse to negotiate with us, to resolve issues concerning Sino-Viet relations through dialogue. They are continuing to regularly direct artillery fire against, to encroach upon and occupy many areas along our country's border, continuously killing countrymen of ours. At the same time, they are still making every effort to distort our country's revolution and looking for every way to isolate us in the international arena. In the face of such a complex situation, our party's policy of simultaneously carrying out and closely combining the two strategic tasks is a correct strategy.

The current situation demands that we reflect, in both our thinking and actions, an even deeper understanding of this strategy. First, together with grasping the economic line, it is necessary to thoroughly teach the military line of the party within all agencies of the party and state, on all levels and within all sectors, mass organizations and other organizations throughout the proletarian dictatorship system, from the central to the local and basic levels. Only by having a thorough understanding of both the economic line and the military line of the party can we reflect, in both our thinking and actions, a thorough understanding of the two strategic tasks in the work of our locality, our sector or our mass organization.

At the same time, through appropriate forms of activity and themes, we must provide an education in national defense to all the people in order to give them a heightened awareness of national defense, an understanding of those aspects of national defense in which they need to participate in peace time as well as war time and show them the responsibility they have in building the people's armed forces in every respect so that these forces can firmly defend the fatherland. With regard to youths in particular, true importance must be attached to teaching our forefathers' tradition of sacrificing one's life to save the country and teaching socialist awareness so that they see the responsibility and honor that are theirs in defending the fatherland, carry on their fathers' and older brothers' cause of saving and defending the country and are ready to give their lives for independence and freedom, for socialism. Providing education in the Military Service Law is an indispensable program for youths, for all the people, especially cadres, if we are to gain everyone's voluntary and strict compliance. Within general schools, occupational counselling must be oriented not only toward economic work, but also toward fulfilling one's military obligation and eagerly joining the army or the officers corps.

Secondly, we must combine the economy with national defense, national defense with the economy on all levels and within all sectors, on the central and local levels, through specific plans and practical measures. This is an exceedingly important matter in organizing the performance of the two strategic tasks. The state must have a long-term strategic plan for the economy and a long-term strategic plan for national defense. These two plans must be carefully worked out so that they are well balanced, must constitute a single economic-national defense entity and must be implemented in a way in which they are closely tied to each other and support and stimulate each other. Only in this way can we meet both economic and national defense requirements well, from the redistribution of the population and the deploying of industrial, agricultural, forestry, fishing, communications-transportation, capital construction and other projects to the activities of the cultural, education, public health and social sectors.

In view of present circumstances, it is even more necessary that our army clearly recognize the obligation that it has to always be vigilant, be ready to fight and fight victoriously while also recognizing the obligation it has to perform economic work and help bring prosperity to the country. Combat units, when not in training, must also build roads, plant forests, plant industrial crops, produce grain, food products and so forth in accordance with the requirements of the central and local levels in order to raise the living standard of the unit and contribute to the state. Economic work demands that units appropriately revise their table of organization, tightly manage material-technical bases, combat bureaucracy and subsidization, combat corruption and waste and practice thorough frugality.

The more fully and closely the economy is combined with national defense and national defense with the economy, the more the cause of building and defending the fatherland is served, the more production is accelerated and national defense requirements are met. Our thinking should not be that "combining the economy with national defense only serves to cause problems for the economy" or that "the army's only function is to fight the enemy." These concepts are not consistent with the strategic thinking of our party with regard to simultaneously carrying out and closely combining the two strategic tasks we have today. They can cause immeasurable harm should the enemy recklessly unleash a war of aggression against our country. Because, only by closely combining the economy with national defense, national defense with the economy in peace time, only by establishing a system, establishing procedures when not at war can we quickly, systematically and efficiently put the entire economy on a war time footing with few losses when necessary while meeting national defense needs and insuring victory in war.

Thirdly, mobilization preparations must be made, made for the mobilization of both manpower and materiel, from the registration and management of reserve forces within the ministries and related sectors within the agencies of the state, so that we are ready to call inductees into the army in time of war, to establishing a mobilization system and preparing the means and technical equipment needed for national defense so that we can mobilize each economic sector and the entire economy. The state has recently issued circulars and decrees concerning this matter. Now, it is necessary to codify these circulars and decrees in the form of laws, organize their implementation and closely manage these jobs beginning immediately. This is a very large and important issue, one that has a decisive bearing upon victory in a war, one that is especially closely related to the initial period in a war. However, this is a very complicated matter, one that is still entirely new to us. Therefore, these jobs must be painstakingly researched and urgently performed. Of course, they must be thoroughly understood by all levels, especially the provinces, municipalities and the economic-technical sectors, which must perform these jobs in an effective and active way, gain experience in the process and supplement and improve upon what has already been done.

Today's war to defend the socialist fatherland is very different in some respects from the war of national liberation, both in terms of space and time, in terms of the scale of the mobilization of forces and the scale of warfare, in terms of the degree of intensity, complexity and urgency of warfare... In particular, the initial period of a war to defend the fatherland differs completely from the initial period of the war of liberation. How we view and deal with the issue that is the initial period of a war to defend the fatherland will have a very large impact upon the extent of our victory or losses in this war. This impact is not only upon the initial period, but upon the entire course of the war and the actual conclusion of the war. Clearly understanding the military line of the party, closely combining the economy and national defense within detailed, thorough plans and, in particular, making good preparations in every area for a mobilization are extremely important matters in meeting the requirements that we face during the initial period of a war to defend the fatherland and, generally speaking, the requirements involved in preparing the country to resist aggression.

Fourthly, we must build a mechanism "the party leads, the state manages and the people are the masters of national defense," just as we have been and are building a similar mechanism with regard to the economy. Within this mechanism, importance must be attached to firmly adhering to the principle of the party's absolute leadership of the army, establishing effective state management of national defense and clearly defining the responsibility of each sector and the rights and obligations of each citizen in the cause of defending the fatherland. Only by clearly defining and maintaining the relations within this mechanism is it possible to achieve close, comprehensive and in-depth coordination, from the scope of strategy and laws to the plan, stages and specific jobs of each sector in the work of strengthening the national defense system and defending the fatherland. Without adopting necessary policies and measures and guaranteeing their implementation by means of such a mechanism, simultaneously carrying out and closely combining the two strategic tasks amounts to nothing more than a slogan.

In the effort to gain a thorough understanding, from the central to the local and basic levels, of our two current strategic tasks of building and defending the fatherland, the party committees, key leaders and the staff-planning agencies of all levels and sectors play an especially important role. These are the components that guide and organize efforts to simultaneously carry out and closely combine the two strategic tasks nationwide as well as within each sector and locality. The realities of the past several years have shown: the degree to which the two strategic tasks are thoroughly understood at each place depends, to a very large degree, upon the role and impact of these key forces.

Our country's situation and international circumstances today and for the next several years demand that all our people and armed forces, most importantly the agencies of the party and state, take a new stride forward in their thinking and actions on the basis of the results that have been achieved and the experience that has been gained in order to perform both strategic tasks well, successfully building socialism and firmly defending the socialist Vietnamese fatherland, so that our country becomes increasingly prosperous and strong and fulfills its international obligation to the two fraternal nations of Laos and Cambodia, thereby proving itself worthy of being the solid bastion of peace and revolution in Southeast Asia and making positive contributions to the world revolutionary movement.

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COMBINING THE LOCAL PEOPLE'S WAR WITH THE WAR FOUGHT BY THE MAIN FORCE MILITARY CORPS--THE UNIQUE ASPECT OF VIETNAMESE MILITARY ART

Hanoi TAP CHI CONG SAN in Vietnamese No 4, Apr 86 pp 13-16

[Article by Colonel General Hoang Minh Thao]

[Text] In its history, our nation has frequently faced a major question: how to defeat aggression and attempts to annex our country by large imperialist powers with many more forces and weapons than we in order to defend the fatherland?

History has also proven: any leadership body of the country that mobilizes the will of all the people that says "there is nothing more precious than independence and freedom," builds upon the factors of a just war, achieves a combined strength and changes the comparison of forces between ourselves and the enemy possesses all the strength that is needed to deal decisive blows, crush the basic strategy of the enemy and win glorious victory, regardless of how large and strong the enemy might be.

The greatest advantage of a just war is that it is supported by the people because it is fought to protect the people. This permits the organization directing the war to launch and organize a people's war. However, a just war only provides the basis and potential for a people's war. The strength of a people's war is the strength of Phu Dong. Engels said: "The waves of people's war together with time will crush and smash the largest army into pieces..."(1) This strength also depends upon the talent that the leadership organization brings to the art of directing the war and guiding the arms struggle. This is the art of "a nation that wants to gain its independence must not limit itself to conventional modes of war. Coordinated mass uprisings, revolutionary war and guerrilla units everywhere--this is the only mode by which a small nation can triumph over a large nation, by which a lesser army can oppose a stronger and better organized army."(2) This generalization has been proven by the history of our nation: the coordinated armed uprisings of the two Trung Sisters; the uprising and war of resistance against the forces of the House of Liang by Ly Bon-Trieu Quang Phuc; the wars of resistance against the Sung forces waged by Le Hoan and Ly Thoung Kiet; the three victories over the Yuan-Ming invaders won by the kings of the House of Tran; the 10 year war of resistance against the House of Ming waged by Le Loi and Nguyen Trai; the war against the Qing aggressor forces fought by Quang

Trung, etc. These eloquent historical realities present a living and brilliant picture of the talent of our forefathers in the art of creating the strength of a people's war. The distinguishing features of this art were that it combined warfare with coordinated uprisings by the masses, combined guerrilla warfare with conventional warfare... The militia of the villages and the armed forces of the provinces together with those of the Imperial Court were deployed in diverse ways, ways that enabled them to hold in check, disperse and weaken fully equipped, well trained armies numbering in the hundreds of thousands, armies that had already won victory at many other places, and subsequently create a position and the opportunities needed to deliver thundering blows, defeat each strategy and scheme of aggression of the enemy and win victory.

Today, inheriting the tradition of this military art, our party, with its proletarian military views and correct political and military lines, has raised our nation's art of people's war to a new level of development and scored record achievements in the wars of resistance against the French colonialists and the U.S. imperialist aggressors. The new development of the art of combining the local people's war with the war fought by the main force military corps in modern times is seen in the following:

--The three elements of the armed forces are tightly organized, are complete and widespread and are solidly based on national and class factors. The guidance and management of the war are centralized, unified, flexible, planned and based on a scientific, dialectical view, line and methodology. This art develops, to a high degree, the combat capabilities of each force; at the same time, it establishes smooth, close coordination among all forces. It creates an optimum strength so that specific warfare objectives on the strategic, campaign and combat levels...can be met. Therefore, this strength is exceedingly large. In the winter-spring of 1953 and 1954, the command of French expeditionary forces decided to concentrate their mobile forces in the Red River Delta and send provocative probes into our liberated zone in a vain attempt to draw our main forces into battle at places where they had the advantage in order to crush our main forces and seize the strategic initiative. However, we intensified the guerrilla war in conjunction with sending a large contingent of our main forces into battle against the enemy. We used another contingent of our main forces to liberate the Northwest, a strategically important region in which the enemy was vulnerable. With that, we succeeded in drawing an important contingent of the enemy's strategic, mobile main forces up to Dien Bien Phu, where we had the advantage, and then threw our strategic, mobile main forces into the decisive, strategic battle and won victory. In the winter-spring of 1975, through the activities of the local people's war combined with the stationary main force units plus the foothold established by our large, main force military corps, we succeeded in establishing strategic and campaign groups deployed on all strategically important fronts, thereby forcing the Saigon puppet army to deploy its forces in two large formations at either end of the battlefield (the area around Saigon and the area around Hue-Da Nang). The weak zones in this battlefield deployment were the Central Highlands and the seacoast of central Vietnam, where the enemy was highly vulnerable. We secretly sent in a contingent of main force troops which, together with stationary and local forces, launched the opening attack, a surprise attack, at Buon Ma Thuot. With that, we shattered the enemy's strategic battlefield deployment, which led to further strategic blows at Hue and Da Nang and the historic Ho Chi Minh campaign, which ended in total victory. These were the pinnacles of the art of combining the local people's war with the war fought by the main force military corps in the war of liberation under the leadership of our party.

In the wars against the aggression by the Chinese expansionists-hegemonists and their lackeys on the northern and western borders, we began to successfully apply the approach of combining the local people's war with the war fought by main force military corps under new circumstances and have begun to defeat their schemes.

To properly carry out the task of firmly defending the socialist fatherland, our party adopted as its line building a solid and strong national defense system of all the people and building powerful people's armed forces and has established the guidelines for the conduct of a people's war to defend the fatherland and the guidelines for the development of military art under the new circumstances that exist today. These are correct views, correct thinking and a correct line that have been formed through the creative application of the military arguments of Marxism-Leninism and the experiences of the 30 year war of national liberation, formed by developing upon the nation's military tradition while incorporating the valuable experiences of the world proletarian military system, especially those of the Soviet Union. In its views, thinking and line, our party clearly points out that combining the local people's war with the war fought by the main force military corps is the law by which victory is won in a people's war to defend the fatherland in Vietnam. It also clearly defines the role and impact of each mode of warfare as well as the impact that these two modes have upon each other in the course of a war. The vitality of these views, of this line lies in their correct and creative application by the various leadership and command echelons, by the people in the process of preparing for and conducting a war.

To combine the two modes of a people's war to defend the fatherland well under the conditions that exist today, importance must be attached to the following several matters:

--The forces of the three elements of the armed forces--main force troops, local troops and militia-self-defense forces--are widespread, have a stable, tight organization and are of appropriate size and high quality. These are the essential material base underlying the art of combining the two modes of warfare. While the size of the armed forces is important, their quality is the basic factor. The quality of the armed forces is the result of special tempering in many areas: morale, skills, discipline, physical conditioning, etc. At the same time, it is also the product of the three revolutions being successfully carried out at each place and within each field. It is closely tied to living conditions and the rules of social life. It is the result of achievements recorded throughout the country, within each area and at each basic unit in building socialism and defending the socialist fatherland. Close leadership by the various party committee echelons, guidance and assistance by state agencies and the strength and stability of the corps of cadres of the armed forces also make decisive contributions to this quality.

--The local people's war and the war fought by the main force military corps exist at the same time and combine as one in order to achieve optimum strength. Each mode has an independent impact and plays an independent role and is, in practice, capable of fighting the enemy independently. However, in independent combat operations, the strength of each mode is limited. Each can only complete certain limited missions. The missions of the local people's war are to wear down the forces of the enemy, to keep in check, divide and disperse the forces of the enemy, thereby creating the conditions for the main force military corps to fulfill their role. The war fought by the main force military corps plays the decisive role in wiping out large contingents of enemy forces and, together with the local people's war, bringing the war to a conclusion. The combined strength of these two modes of warfare is enormous. If these two modes are combined in a correct and skillful manner, the strength of each mode develops by leaps and bounds.

We should not, in neither our thinking nor application, emphasize one mode to the point where we give light attention to the other. This is a metaphysical approach, an approach that cuts the whole into pieces and impedes the formation of the combined strength of these two modes of warfare. On the other hand, we also should not understand or apply these two modes in a rigid way, that is, should not insist that these two modes always be combined in precisely the same manner at all times. Due to the actual situation at each specific place and time during a war, one mode or the other can assume greater importance and have a larger impact, after which both modes reach higher stages of development.

--The art of combining the two modes is expressed in the organizations that guide the war effort and command combat operations knowing how to devise optimum plans. These plans must provide for each force being utilized on the proper scale, at the right place and in an appropriate way so that it fulfills its role, thereby establishing an effective battle position, one that is an integral part of a skillful strategy. These plans must deceive the enemy and not disclose whatever strategic strikes we intend on launching. They must combine all scales and forms of combat so that we can attack the enemy everywhere, behind their lines, on their flanks...force the enemy to disperse and divide their forces. They must enable us to pin down those forces that need to be pinned down and bring about the movement of those enemy forces that need to be moved. They must allow us to quickly and efficiently take up a new battle position, always seize the initiative in every combat situation and create opportunities so that we can deploy main force units that have been prepared in advance in key, decisive strikes and achieve established objectives. Only through the combined forces of the three elements of the armed forces and the close coordination of the two modes is it possible to achieve this good method of fighting.

A people's war to defend the socialist fatherland raises many new requirements. The conditions of war have also changed. Many new difficulties have arisen. However, we also have unprecedented advantages in our favor: we are the masters of the entire country, have time to prepare in advance, have the conditions needed to forecast what our combat plans will be from the very beginning, etc.

To meet the new requirements of a people's war to defend the socialist fatherland, it is important that we possess new knowledge of this war, delve deeply into researching the laws, principles and methods of this war and, on this basis, adopt plans for applying these laws, principles and methods nationwide and within each specific locality.

FOOTNOTES

1. F. Engels: "Selected Military Essays," Quan Doi Nhan Dan Publishing House, Hanoi, 1974, Volume VI, pp 199-200.

2. F. Engels, V.I. Lenin and J. Stalin: "On People's War," Su That Publishing House, Hanoi, 1970, p 27.

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FORCES, POSITION AND OPPORTUNITY IN THE DECISIVE, STRATEGIC BATTLE IN THE SPRING OF 1975

Hanoi TAP CHI CONG SAN in Vietnamese No 4, Apr 86 pp 17-22

[Article by Lieutenant General Pham Hong Son]

[Text] Forces, position and opportunity are the material bases upon which a strategic decision is made, and this strategic decision must set guidelines for the buildup and utilization of forces, for the deployment of forces in a strategic position and for constantly developing an advantageous strategic position and creating new strategic opportunities in order to bring the war to a victorious conclusion.

1. The Buildup and Utilization of Forces

In each of the different periods in a war, the buildup, the position and the utilization of the forces of the revolution and revolutionary war differ because they support the strategic objectives and mode of warfare during each stage.

In the strategic offensive to conclude the war and achieve the strategic objectives of wiping out millions of enemy troops, completely destroying a large, reactionary political apparatus and totally liberating the South, our party developed, to a degree unprecedented, the mobilization and buildup of forces, in both quantitative and qualitative terms, through suitable forms of organization which insured that strategic decisions would be implemented, even when the war situation developed by leaps and bounds.

The strategic offensive that brought the war to a conclusion was based on the party's line concerning the buildup of forces, namely, mobilizing and organizing all the people for the purpose of building widespread political forces of the masses while building powerful people's armed forces consisting of the three different elements of the armed forces to serve as the nucleus of the fight waged by all the people against the enemy, thus achieving the combined strength of both political and military forces. We saw in its strategy for this offensive that our party clearly defined the role played by main force units as a lever stimulating the simultaneous development of other forces in order to carry out the most basic task of the war, wiping out the armed forces of the opposition, primarily their main force units. In the final stage of the war, our main force units were a main force army consisting of heavily equipped combined branches that included mechanized artillery, even tanks and armored vehicles, were capable of organizing campaigns coordinated among the various branches on each campaign front and were commanded by a multi-corps, strategic campaign command apparatus so that they could destroy the command center of the enemy in Saigon, which was defended by many enemy divisions. Campaigns conducted by military corps occurred continuously and simultaneously on strategic battlefields, such as the Central Highland, Tri Thien, Quang Nam-Da Nang and eastern Nam Bo.

As regards forces, mention must be made, in addition to military corps, of the material means, grain, ammunition, petroleum products and even the additional troops that had to be fully supplied for large, continuous campaigns that took place in a short amount of time. We recorded a major success by supplying a large quantity of materiel of all types which, if not prepared in advance and stockpiled at those places where the offensive was projected to begin, would have made it impossible to promptly meet needs. Specifically, we supplied 576,963 tons of materiel and used more than 17,000 trucks and pedicabs, 270 ships, boats and barges, 300 railroad cars and many aircraft to provide transportation.

One matter of major importance in preparing forces for that decisive, strategic offensive was that of preparing strategic reserve forces and supplemental troop strength. We had one strategic reserve corps and three strategic reserve divisions, in addition to the three strong main force formations, already deployed on the three main battlefields when the offensive began. By the time of the Ho Chi Minh campaign, the High Command still had four strong divisions. In addition, we had prepared a large, 260,000 man supplemental force during the 2 years 1973 and 1974. During the first several months of 1975, we mobilized 230,000 supplemental troops. Compared to our total troop strength of 418,225 at the start of the general offensive and uprising, this was a very large figure.

Building, accumulating and making optimum use of strategic reserve units of all types are one of the important tasks in the leadership of strategy and also one of the factors in seizing and retaining strategic initiative. Building large, reserve military corps in a short amount of time and doing so without the enemy knowing that these corps are being built make it possible to achieve a decisive advantage in terms of forces and promptly seize strategic opportunities that determine the war situation. This is not something that can be done in only a few months, but must be carried out in a planned manner over a longer period of time in order to achieve large strategic results.

In the general offensive and uprising in the spring of 1975, our main force troops played the direct and decisive role in wiping out puppet main force units, the backbone of the "Vietnamization of the war," which led to the collapse of the puppet government and created the conditions for the masses to arise. This proved that the guidance provided by the Political Bureau and the Military Commission of the Party Central Committee in the resolution of the Political Bureau was correct: "The general offensive is of decisive significance and must occur first." The role played by political forces and local armed forces was of enormous strategic significance in the revolutionary war. In the course of the war, these forces, which were the main forces in the strategic victory won in the coordinated uprisings in 1959 and 1960, forced the U.S. imperialists and their lackeys to spread their forces thinly and cause their main force units to become decentralized and bogged down in dealing with our forces within each locality, thereby creating the conditions for our main force units to deal decisive blows at decisive places. In the final general offensive and uprising that brought the war to a conclusion, political forces and local armed forces made contributions of strategic significance together with main force units to the total victory that was won. In actuality, local armed forces seized opportunities to attack the enemy everywhere, killed or routed many enemy troops, forced the surrender of thousands of police stations, attacked roads, smashed the enemy's apparatus of control on the basic level and directly supported the masses in uprisings to seize political power within the locality, including the liberation of district seats, towns and cities. As a result of our local political and armed forces rapidly crushing the local armed and political forces of the enemy and quickly establishing revolutionary administrations, forces and mass organizations, our main force units were able to quickly move forward and meet the remaining strategic objectives of the general offensive. In particular, after the puppet central government surrendered in Saigon, practically all the remaining provinces in Nam Bo were liberated by local political and armed forces.

Even at key places attacked by our main force units, such as Da Nang and Saigon, local armed forces played a very important role by opening fire on and occupying a number of strategically important places within the centers of these cities, thus causing chaos and panic among the enemy and increasing the impact of the rout of enemy forces by our main force units. Just as in chess, one pawn was moved into the right position and the impact of our tanks and artillery was made even greater. It can be said that were it not for the participation of local political and armed forces, the victories won by our main force units would not have been as resounding or swift.

The realities of the victorious general offensive and uprising in the spring of 1975 reflected the correct relationship between attacks and coordinated uprisings in the laws of revolutionary war. The experience of our country as well as many other countries shows that coordinated uprisings can only break out and be successful when the enemy is no longer capable of ruling the people as they once did and the broad masses are determined to arise in combat, when the tools of violent force in the hands of the ruling class have been paralyzed and their armed forces have collapsed or been routed as a result of an imperialist war or civil war. It is difficult for coordinated uprisings to be successful if the ruling class still possesses strong military forces. The revolutionary war fought by our people in the South was a war against aggression and a revolutionary civil war. In order for the general uprising, especially the coordinated uprisings in the cities, to be successful, we had to win basic military victories that wiped out an important contingent of puppet forces and routed these forces to the point where they could not re-establish themselves. Thus, from an overall perspective, in the course of these general uprisings, we could not only attack the enemy by means of political forces, but also had to attack them militarily and the general offensive had to be carried out first.

Reviewing the revolutionary war through the realities of the general offensive and uprising in the spring of 1975 and even during the Mau Tan Tet in 1968, we clearly see development that was in the nature of a law of general struggle in a revolutionary war in modern times: a general offensive must precede a general uprising and is of decisive significance and although a general uprising cannot be the primary blow, a general offensive only serves the function of supporting a general uprising by keeping enemy forces in check. An uprising in a revolutionary war must comply with the laws of revolutionary war.

2. Concerning Position in the Decisive Strategic Battle

Forces are an important factor in acquiring the strength needed to win victory over the enemy. However, without knowing how to utilize forces skillfully, it is sometimes impossible to win victory over the enemy even with larger forces. To win victory over an enemy whose forces are larger, the state of development of military art must be even higher. In our nation's history of resistance against foreign aggression, the enemy's forces have usually been larger than ours. Consequently, the tradition of Vietnamese military art is to use small forces to fight large enemy forces, use weaknesses to triumph over strengths. This traditional military art, an important aspect of which is establishing our position and destroying the position of the enemy so that we can, with smaller forces, achieve a strength greater than that of the enemy and win victory, reached a pinnacle of development in the age of Ho Chi Minh.

In the general offensive and uprising in the spring of 1975, utilizing forces that were built and developed in the manner described above, we established a very effective and highly mobile strategic battlefield deployment. As a result, we achieved an overwhelming strength and won decisive victory in a short amount of time.

This strategic battlefield deployment was formed on the basis of military and political forces, of all three elements of the military being deployed at the right time and on the right front. The nucleus of this battlefield deployment was the battlefield positions taken up by main force units on all fronts, units that consisted of military corps and divisions of the various military regions and the High Command. We deployed three large main force formations in the Central Highlands, Hue-Quang Nam and eastern Nam Bo that were capable of dealing large, annihilating campaign blows to the enemy within each region and quickly coming together when necessary to give us an overwhelming position on the decisive front.

In addition to main force units, we assembled local armed forces and political forces in the municipalities, cities, district seats and subsectors to be ready to coordinate with main force units when the opportunity arose.

This battlefield deployment gave us the following capabilities:

First, we were able to attack the enemy on a broad scope and also concentrate our forces for strong attacks on main fronts. We were able to attack the enemy in all strategic regions, the mountainous forests, the rural lowlands and the cities, and, when necessary, concentrate our forces in attacks on the cities and military, political and economic centers of each region as well as the entire South. We forced the enemy to disperse their forces to the point where even the enemy's strategic, mobile main forces could not regroup.

Secondly, we were able to strategically cut off the Central Highlands and central Vietnam, thereby encircling and isolating the enemy's northern forces, preventing the enemy from withdrawing and regrouping as a strategic force and preventing enemy forces from coming to one another's rescue.

Thirdly, we were able to quickly move concentrated forces and very quickly seize the new strategic opportunity that arose on the main front, the Saigon-Gia Dinh front.

Fourthly, it permitted us, by means of a major attack on a place that was strategically important to the enemy, the Central Highlands, to set off a strong reaction that caused the enemy to panic and quickly collapse, a reaction that was in the nature of a chain reaction within each region as well as on the entire battlefield. This battlefield deployment guaranteed that we could adhere to our basic plan in fighting the enemy but also made it possible for us to quickly shift to a contingency plan in the event that an opportunity arose, thus guaranteeing the victory of the general offensive in accordance with the law of taking a leap forward in the final stage of the war.

Our battlefield deployment reflected the art of utilizing our forces in a specific correlation to the forces of the enemy, specific from the standpoint of both forces and position. Our battlefield deployment not only involved knowing how to concentrate our forces at places and times at which the advantages were in our favor so that we could deal the enemy annihilating blows, but also involved knowing how to widely disperse the enemy and cause them to do what we wanted them to do in the course of development of the warfare between ourselves and the enemy.

Our battlefield deployment changed and evolved across the entire strategic battlefield, not just within one region or at one place. It included concentrating our forces and decentralizing the forces of the enemy, thus setting off a chain reaction of developments, from breaking up the enemy's forces to enlarging the scope of our victory and completely wiping out the enemy when the opportunity arose. Therefore, our battlefield deployment should not be understood as consisting only of the deployment of forces. President Ho Chi Minh summarized the impact of battlefield deployment in two lines of poetry:

If the wrong move is made, one has no choice but to squander two rooks but, at the right time, a pawn can bring victory.

With an effective battlefield deployment, small forces also possess large strength. Large forces have an impact that is many times greater and can achieve the strength to overwhelm the opposition and win victory with high efficiency in a short amount of time. The great victory won in the spring of 1975 as well as the great victory won in the winter-spring of 1953-1954 proved how skillful our party was in applying the art of establishing our battlefield position and destroying that of the enemy, thereby shattering a force of millions of enemy troops, whose battlefield deployment had been stable for decades, in only a short amount of time. The point of foremost importance in the art of establishing and creating a battlefield position was concretely expressed in the selection of correct fronts and targets to attack. With the war machinery of the enemy having been deployed across the entirety of the vast battlefield of the South, we had to select the correct fronts and targets to attack in order to deal major, decisive blows to, rout and wipe out the enemy on a large scale, shatter their strategic deployment and unleash a chain reaction that would destabilize the enemy's strategic position and lead to the most decisive blow. In the general offensive and uprising in the spring of 1975, we chose the puppet capital, Saigon-Gia Dinh, as the main front and target to attack, as the front and target that would decide the fate of the puppet army and government. However, because our forces were limited and we had to deal the enemy three successive blows in order to set off a chain reaction, the selection of the front and target for the first blow, which would have the effect of launching the general offensive, was extremely important. The Political Bureau selected the Central Highlands because it was the region in which the enemy was weakest, but was also a strategically important region, a region in which a victory of ours would strategically divide the enemy and isolate Military Region I while making it possible for us to quickly concentrate our forces on the main front when necessary. Our victory in the Central Highlands was significant from the standpoint that we wiped out a strategic military force and also from the standpoint of destroying a complete strategic defense system of the enemy. That victory made it possible, in practical terms, to establish a new position for ourselves in order to build upon this victory and turn a partial victory into total victory. Thus, we began at a place at which the enemy was weak but which was strategically important and concluded at the most critical place in the strategic defense system of the enemy--the capital of the puppet government.

3. Creating and Making Full Use of Strategic Opportunities

In the art of revolutionary struggle as well as the art of guiding a war effort, our party attaches very much importance to the factor of opportunity, considering opportunities to be a very important force.

An opportunity arises as a result of many factors becoming fully developed, subjective as well as objective factors and factors that pertain to us and the enemy. These factors develop as a process and have an impact upon one another. We can determine their trend of development. To create and make full use of opportunities, we must know these factors, know the laws that govern their development, take actions to stimulate their full development and limit the development of unfavorable factors while making every effort to prepare the subjective conditions needed to take full advantage of opportunities.

The strategic opportunity that had arisen for the strategic, decisive offensive in the spring of 1975 was defined in the decision by the Political Bureau in January 1975. In particular, following the victories of Buon Ma Thuot and the Central Highlands, the Political Bureau, in resolutions dated 18 and 25 March 1975, determined, on the basis of the following factors, that a new strategic opportunity had arisen:

--First, the morale of puppet forces had fallen even further. The attack on the Central Highlands had shaken both the rural lowlands and the cities.

--Secondly, we had the strategic defenses that the enemy had been building for 20 years, thus forcing them to adjust their strategic deployment.

--Thirdly, the puppet military command was beginning to fall into a state of chaos and becoming ineffective. There were initial signs of an impending major rout and large-scale collapse.

--Fourthly, the possibility of intervention by the United States once again proved to be very remote.

--Fifthly, we were still in good shape, our morale was steadily growing and our ability to fight had increased, thus creating a new strategic position for ourselves, an advantageous position characterized by a very high degree of mobility. In terms of their fighting skills, our main force troops had reached a new level of development and were capable of carrying out large-scale attacks coordinated among the various branches to quickly and systematically liberate a large city and systematically wipe out division-level units of the enemy.

Thus, by 24 March 1975, it was clear that although the enemy's troop strength was still large (over 600,000 men, including 300,000 main force troops in 10 divisions and 8 regiments), the position and morale of the enemy had weakened.

The strategic opportunity was created as a result of positive, precise actions taken by us, mainly the annihilating blow we delivered to the enemy in the Central Highlands. It also arose as a result of a serious strategic mistake made by the enemy: their hasty and unorganized withdrawal from the Central Highlands.

Opportunities arise at a specific time. Therefore, promptly seizing a strategic opportunity is a matter of decisive importance in winning victory. At these moments, time is a force and every action must comply precisely with the guideline of being "as timely, rapid, bold, unexpected and sure of victory as possible." The Hue-Da Nang campaign and even the Ho Chi Minh campaign were the products of skill in the art of seizing opportunities and creating new, continuous opportunities in accordance with the law of taking a leap forward in the concluding stage of a war. That we seized opportunities was seen in the facts that we knew the enemy, especially their strategic deployment, predicted how the war would develop, both in an orderly progression and by leaps and bounds, and fully prepared ourselves, in terms of forces and materiel, to deal with the situation while maintaining our strategic reserve forces and promptly moving our forces in order to build upon the gains made in combat. In the space of only a few days, some 400,000 enemy troops were wiped out. This would have been impossible without a strategic opportunity arising, without determined, skillful guidance in the art of organizing and commanding the many military corps and coordinating combat forces of a strategic campaign and without mobilizing local political and armed forces to take coordinated actions. Once the opportunity arose, it demanded the strength of the masses, demanded unanimity from top to bottom, demanded rapid, timely actions on the part of everyone from the commanders of military corps to the commanders of subordinate units, from the political leaders on all levels all the way down to the masses within the political forces.

The art of creating and seizing opportunities is closely related to the art of creating and utilizing forces and the art of establishing a battlefield position. Forces, position and opportunity are the three organically related factors that create victories. In particular, in wars and campaigns in which our forces are smaller than those of the opposition, opportunities and position play a very important role in giving our small forces a strength greater than that of the enemy's so that victory can be won. As Nguyen Trai wrote: "With opportunity and position, losses become gains, small forces become large forces; without opportunity or position, strengths become weaknesses and a secure situation becomes a dangerous one. These changes can occur in an instant."(1)

FOOTNOTES

1. Nguyen Trai: "Toan tap," [Collected Works], Social Sciences Publishing House, Hanoi, 1969, p 117.

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POLITICAL AND IDEOLOGICAL WORK IN SUPPORT OF VICTORY IN THE RESISTANCE AGAINST THE UNITED STATES FOR NATIONAL SALVATION

Hanoi TAP CHI CONG SAN in Vietnamese No 4, Apr 86 pp 23-31, 16

[Article by Hong Chuong]

[Text] In his speech closing the Political Bureau conference held in early 1975 to discuss the situation and tasks concerning the resistance against the United States for national salvation, Le Duan, after expressing the determination of the Political Bureau to fight the final battle and bring the war of resistance against the United States for national salvation to total victory, said: "This decision by the Political Bureau must be communicated to all cadres, party members, Youth Union members and the masses. We must conduct widespread political and ideological work and build a strong spirit of determination to fight and win." At the same time, he also said: "We must perform very good political and ideological work within the army and among the people and encourage the entire army and all the people to display a high spirit of everything for the frontlines, everything for victory." These words of the general secretary reflected the importance of political and ideological work. Political and ideological work was of extremely important significance in helping to bring about the victory of our people in the war of resistance against the United States for national salvation.

Our party, founded and forged by Uncle Ho, has always attached importance to political and ideological work. In the resistance against the international gendarme, U.S. imperialism, our party attached even more special importance to this work. As soon as the war against the United States began, the Party Central Committee stressed the special importance of political and ideological work. The 11th Plenum of the 3rd Party Central Committee, which was held on 25, 26 and 27 March 1965, defined our task in political and ideological work as follows: "Providing ideological leadership and heightening the awareness of cadres, party members and the people are exceedingly important at this point in time. It is necessary to give the entire party and all the people a clear understanding of the schemes of the United States and the fact that, because of their new schemes and actions, the North is no longer in the period of peaceful construction, but has begun to enter a period of war. It is necessary to show the entire party and all the people the comparison of forces between ourselves and the enemy, show them our strengths and weaknesses, our advantages and difficulties and our capabilities as well as those of the enemy; show them that we are winning victories; show them that we have forces, have a just cause, have the support of the entire socialist camp and the entire world; show them that the United States is suffering serious defeats, is on the defensive both politically and strategically and is highly isolated; therefore, we will surely win and they will surely be totally defeated"(resolution "on the immediate situation and tasks" of the Party Central Committee, March 1965).

One matter of utmost importance in war is to correctly identify the enemy and gain a clear understanding of their schemes and tactics. Our political and ideological work showed our armed forces and people that the U.S. imperialists were our enemy. They had divided our country, trampled upon the South and were attacking the North in a vain attempt to invade and occupy our entire country. Political and ideological work cultivated among our people a deep hatred of the U.S. imperialists. When the massacres occurred at Phu Loi, Son My and other places, our mass media were mobilized to denounce the towering crimes of the Americans and their lackeys to public opinion at home and abroad and appeal to everyone to unite in struggle against the United States. Our political and ideological work also helped our armed forces and people learn about the schemes and tactics of the U.S. imperialists and understand the differences between the policy of the U.S. imperialists and the policy of the French colonialists who preceded them. Unlike the French colonialists, the U.S. imperialists did not impose direct rule, but enslaved our people through a lackey administration that masqueraded as an "independent nation." The neo-colonialist policy of enslavement of the United States was very dangerous because it was cunning and deceptive in nature. This policy, however, was the product of the weak and defensive position of imperialism. It embodied many contradictions and some very basic weaknesses.

On the basis of clearly pointing out the fundamental weaknesses of the U.S. imperialists, our political and ideological work helped everyone clearly realize that "the United States was rich but not strong." In this work, special attention was given to the struggle against the thinking of fearing the United States, of serving the United States and to guarding against the thinking of not taking the enemy seriously.

In each stage of development of the resistance against the United States, political and ideological work helped cadres, party members and the people to correctly understand the war situation, correctly evaluate every aspect of the comparison of forces between ourselves and the enemy, see our position and the enemy's position and, on this basis, determine their tasks, become confident and enthusiastic, become determined to fight and win victory over the U.S. imperialists and their lackeys. As a result, our entire party, all our armed forces and all our people were ready to fight and work at any place to which they were called by the party and fatherland. Cadres, party members and the people believed that they could defeat any type of war waged by the U.S. invaders. Everyone displayed a high sense of self-reliance, was ready to overcome every difficulty and hardship, was determined to fight the U.S. imperialists and their lackeys for many years.

As a result of performing good political and ideological work, our party vigorously tapped the revolutionary heroism of our armed forces and people and overcame hesitation, vacillation, the longing for peace, the desire to preserve life, the fear of hardships, difficulties and sacrifices and overcame pessimism, negative thinking and impetuousness as well as the thinking of wanting to negotiate at a time when favorable conditions did not exist, wanting to conclude the war at any price... Ideological work also helped to give everyone confidence in themselves and correct the thinking of relying upon assistance from foreign countries.

Throughout the resistance against the United States for national salvation, our political and ideological work kept our party, armed forces and people fully abreast of what our party's determination was. This determination was expressed in the famous words of President Ho: "Johnson and his clique must know that they can send 500,000, 1 million or many more troops to intensify the war of aggression in South Vietnam. They can use thousands of aircraft to intensify the attacks against the North. However, they absolutely cannot shake the iron will and determination of the heroic Vietnamese to resist the United States for national salvation. The more aggressive they become, the greater their crimes will be. The war might last for 5 years, 10 years, 20 years or even longer. Hanoi, Haiphong, a number of other cities and some enterprises might be destroyed but the Vietnamese are determined not to be afraid! There is nothing more precious than independence and freedom. On the day of victory, our people will rebuild our country and make it grander and more beautiful."

As a result of this unshakeable will, our party, armed forces and people overcame every difficulty and obstacle, endured every shortage and sacrifice, fought tenaciously and bravely, won victories gradually and advanced to total victory over the U.S. imperialists and their lackeys.

In our political and ideological work during the resistance against the United States for national salvation, we strictly carried out the following instructions of Le Duan: "We must attach special importance to conducting very good political and ideological work in order to cultivate a deep hatred of the enemy among all strata of the people and give cadres, party members and the broad masses a clear understanding of the party's line, give them a thorough understanding of our guidelines of waging a protracted war of resistance and practicing self-reliance, give them firm confidence in final victory without fear of the United States and without any illusions of peace"(letter to the Central Office of South Vietnam, November 1965).

Political and ideological work explained to everyone why we had to fight the United States; explained that if we fought with determination and skill, we could win victory over the U.S. invaders; and explained that we had to win victory over the United States and could because we knew how to fight and win.

Political and ideological work showed everyone that the U.S. imperialists were very cruel and obstinate. The greater their defeats, the more they fought back. In their fit of temper, they inflicted heavy losses upon us. As we advanced closer to victory, we encountered more and more major difficulties. But these were the difficulties that are always experienced on the path to victory. We had the conditions and the capabilities needed to overcome every difficulty. Our cause was just, our line was correct and we had forces.

victory would surely be ours. All we needed to do was be determined, be steadfast and make appropriate efforts and we would be able to overcome each difficulty in order to win victory.

Building determination to fight and win victory over the U.S. imperialist aggressors, this was our foremost task in political and ideological work throughout the resistance against the United States for national salvation.

Giving the entire party, all the armed forces and all the people a firm grasp and thorough understanding of the revolutionary line and revolutionary method of the party, of the party's national defense line and people's war line was the central task in political and ideological work during the resistance against the United States for national salvation. The mass media of our party and state were mobilized to propagandize the line on the Vietnamese revolution set by the 15th Plenum of the Party Central Committee (January 1959) and the 3rd Party Congress (September 1960). This line established two strategic tasks that had to be performed simultaneously: carrying out the socialist revolution in the North and struggling to liberate the South, reunify the country and achieve independence and democracy nationwide.

Brandishing as it did the two banners of patriotism and socialism, our party's revolutionary line expressed the pressing demands and aspirations of our people at that time. Political and ideological work helped everyone to clearly understand that carrying out the socialist revolution and socialist construction in the North was in keeping with the laws of development of society in the North, now that it had been liberated from the yoke of colonialism, and in keeping with the requirements of the revolution nationwide, because building the North meant building the bulwark of the revolution nationwide and building a solid foundation for the struggle to liberate the South and reunify the country. Continuing to carry out the national, democratic revolution in the South was also in keeping with the laws of development of society in the South, which was under the yoke of U.S. neo-colonialism, and in keeping with the requirement of the entire country that the North be protected in order to create favorable conditions for the North to build socialism.

In keeping with the spirit of the resolution of the 15th Plenum of the Party Central Committee, political and ideological work showed everyone that because the U.S. imperialists were determined to maintain their grip on the South and would not voluntarily abandon the use of violent force to extinguish the revolution in the South and in aggression against the North, our people, acting under the basic guideline of coordinated uprisings to topple the U.S.-Diem regime, had to prepare themselves in every respect. Political and ideological work also showed everyone that coordinated uprisings by the people of the South could evolve into a lengthy armed struggle.

Political and ideological work also helped to give everyone a firm grasp and thorough understanding of our party's overall strategy in the resistance against the United States for national salvation, the strategy of taking the offensive, and the guidelines under which this strategy would be implemented: gradually pushing the enemy back, toppling one contingent of enemy forces at a time and eventually defeating all enemy forces while causing the enemy to de-escalate their war effort, winning victories gradually and advancing to total victory.

Political and ideological work helped cadres, party members and the people to grasp our party's revolutionary method: employing the combined violent force of the revolution, which consisted of the political forces of the masses and the people's armed forces; staging local uprisings in the countryside and developing these uprisings into a revolutionary war; combining military struggle with political struggle and diplomatic struggle; combining coordinated uprisings by the masses with revolutionary war, combining uprisings and attacks, attacks and uprisings; attacking the enemy in all three strategic regions: the mountainous forests, the rural lowlands and the cities; attacking the enemy by means of the three offensive prongs: military, political and enemy proselyting; combining the three elements of military forces: main force troops, local troops and guerrilla militia forces; combining guerrilla warfare with conventional warfare; combining large, medium and small-scale attacks; gaining control in order to wipe out the enemy, wiping out the enemy in order to gain control; waging a protracted fight while knowing how to create and seize opportunities to launch strategic offensives that change the war situation and advancing to a general offensive and uprising to crush the enemy and win final victory.

Political and ideological work encouraged cadres, party members and the people to make extraordinary efforts to create opportunities while preparing the forces needed to promptly seize opportunities arising from difficulties and defeats of the enemy and advance the resistance by leaps and bounds. We cultivated throughout the party, the people and the armed forces the thinking of steadfastly maintaining the resistance until victory was won. At the same time, we cultivated the spirit of continuous revolution and built upon the revolutionary-offensive spirit. Political and ideological work helped our party, armed forces and people to see that our party's revolutionary line was an independent and autonomous, correct and creative line. With a correct line, our party could achieve the highest possible mobilization of each force of the nation, combine the revolutionary forces of the nation and those of the times and defeat the U.S. imperialist aggressors. Having gained a deep understanding of the party's line, cadres, party members and the people had absolute confidence in the leadership of the Party Central Committee and were determined, for the sake of the supreme interests of the fatherland, for the sake of the nation's glorious future, for the sake of the survival of the people of the entire country, to make every effort to overcome each difficulty being faced, endure each hardship and be ready to sacrifice everything in order to charge forth and attack the enemy, fight continuously and advance the cause of resisting the United States for national salvation to total victory.

To help cadres, party members and the masses acquire a firm grasp and thorough understanding of the party's line, we waged a determined struggle against assertions that socialism in the North could "peacefully coexist" with the neo-colonialist regime of the United States in the South. On the other hand, we also struggled against the thinking of fighting a "war of attrition" and not waging a struggle against the U.S. imperialists and their lackeys in the South. Both of these tendencies would have led to a similar result: forcing our people to endure the permanent partitioning of our country. Political and ideological work helped cadres, party members and the masses display a higher spirit of independence, autonomy and self-reliance. Through this work, we showed the entire party and all our people that liberating the South was the common responsibility of the people of the entire country. The entire country had to participate in the fight against the enemy, the South being the great frontline, the North being the great rear area.

Political and ideological work helped our party, armed forces and people understand that Indochina was a single battlefield, within which South Vietnam was the most important battlefield and North Vietnam was not only the great rear area of the South, but also the rear area of the revolutions of Laos and Cambodia. The peoples of the three countries of Indochina had to strengthen their close unity, support one another, fight alongside one another and win victory together over the U.S. imperialists. The Vietnamese were determined to fulfill their international obligation to the peoples of the two fraternal countries of Laos and Cambodia.

Political and ideological work showed our party, armed forces and people that we had the great honor of performing the national tasks of liberating the South and reunifying the country while fulfilling our noble international obligation.

Political and ideological work showed everyone that our generation had the great honor of waging the greatest war of resistance in the history of the nation's resistance against foreign aggression and that our people had the great honor of being in the vanguard of the revolutionary struggle of the people of the world against U.S. imperialism, the number one enemy of progressive mankind. Through political and ideological work, we inspired everyone to march bravely forward, overcome each difficulty and defeat the enemy.

Political and ideological work helped to show cadres, party members and the people the effectiveness of the strategic guidance being provided by the Party Central Committee headed by President Ho and the Political Bureau. The thinking embodied in this strategy was the thinking of activism and initiative, mobility and flexibility, of closely coordinating all aspects of the struggle. As a result of this effective strategic guidance, our people advanced to victory after victory in the war of resistance against the United States and, in the spring of 1975, under the guidelines of acting with lightning-like speed and boldness and taking the enemy by surprise, our forces dealt enemy forces thundering blows and advanced the cause of resisting the United States for national salvation to total victory.

Expressing the strategic guidance of the party, political and ideological work showed itself to be highly responsive to needs, especially at times that were turning points in the revolution and revolutionary war in the South.

In 1958 and 1959, when the revolution in the South encountered its most serious difficulties, when the Americans and Diem were dragging their guillotines throughout the South to kill our fellow countrymen, the political and ideological work of the party clearly showed that the enemy was not as strong as they thought they were and our compatriots in the South would never allow themselves to be conquered by the U.S. imperialists and their lackeys; that only the victory of the revolution could bring to an end the suffering of our fellow countrymen in the South; that the basic path of development of the Vietnamese revolution was coordinated uprisings to put political power into the hands of the people; and that taking this path entailed utilizing the strength of the masses and relying primarily upon the political forces of the masses, in coordination with the armed forces, in order to topple the rule of the U.S. imperialists and the groups of bureaucratic, compradore bourgeoisie, militarists, fascists and lackeys of the United States and establish a revolutionary administration of the people. Carried out in the spirit of the resolution of the 15th Plenum of the 2nd Party Central Committee, political and ideological work helped to fan the flames of revolutionary struggle among the compatriots of the South. Local uprisings broke out everywhere and changed the situation, from one of serious difficulties into a high tide, from "facing the danger of being crushed and not being able to rise up" to "the masses arising" and "our achieving, in terms of political forces, absolute superiority over the U.S.-Diem regime," as observed by Le Duan in "Letters to the South."

During the years from 1966 to 1968, when the U.S. imperialists rushed several hundred thousand U.S. troops to the South, implemented the limited war strategy in the South, waged an air and naval war of destruction against the North and escalated the war to its highest level, our party's political and ideological work made it clear that the U.S. forces were not in a position of strength, but a position of defeat and weakness, a defensive position; that they had come to the South to rescue the puppet army from collapse; that sending in U.S. forces was the "least preferable policy" of neo-colonialism, a kind of colonialism that must conceal its true identity and form in order to deceive the people; that the arrival of additional U.S. forces further exacerbated the antagonisms between our people and the U.S. imperialists; that the arrival of additional U.S. forces did not significantly change the comparison of forces between ourselves and the enemy; and that although the war between ourselves and the enemy was becoming increasingly difficult and fierce, our people had the solid base they needed to retain and continue to seize the initiative on the battlefield, had the forces and conditions they needed to defeat the immediate and long-range plans of the enemy.

When carried out in the spirit of the resolution of the 12th Plenum of the 3rd Party Central Committee, our political and ideological work strongly inspired our armed forces and people to display high determination to fight and win, to continue to build upon our strategic offensive position and deal thundering blows to the nerve centers of the Americans and puppets during the Mau Than Tet (1968), thus defeating the limited war strategy of the United States and forcing it to de-escalate the war.

In 1973, after the Paris Agreement was signed the United States had to withdraw all U.S. and vassal forces from the South but our armed forces remained in the South, thus changing the comparison of forces in the South in our advantage. Under the new and very complex circumstances that surrounded the struggle, although our forces and battle position were maintained at many places, there were some places at which the revolutionary movement encountered difficulties and experienced losses. Through political and ideological work, we promptly showed that the enemy was still resisting and attacking the movement at some places not because they were strong but because we had made mistakes. The position and forces of the revolution in the South were stronger than before.

When conducted in keeping with the spirit of the resolution of the 21st Plenum of the 3rd Party Central Committee (October 1973), our political and ideological work pointed out that the path of the revolution in the South was the path of violent revolutionary force; that the strategy of the revolution in the South was an offensive strategy; and that the guidelines governing the thinking and actions of our armed forces and people were to quickly create a new position for ourselves, quickly create new forces to the best of our ability and be determined to win final victory, liberate the South and reunify the country. Political and ideological work strongly inspired our armed forces and people to struggle and make every effort to build upon the victory that was won in the cause of "driving off the Americans" and move on to complete the remaining portion of that task, namely, "bringing down the puppets," as mapped out by the esteemed President Ho in the spring of 1968.

In late 1974 and early 1975, in keeping with the spirit of the resolution of the October 1974 Political Bureau resolution, political and ideological work helped to show everyone that the Saigon puppet government had quickly weakened in every respect and was gradually assuming a defensive posture; that we had won a large victory which, although only one step, was a solid step forward of important significance; that the U.S. imperialists were still scheming to maintain neo-colonialism in the South but would find it much more difficult to directly intervene, and even if they did, we were still determined to win victory and liberate the South. The situation was developing by leaps and bounds, "one day was the equivalent of 20 years." We faced bright prospects and large strategic opportunities. Political and ideological work inspired everyone to make every effort to achieve the goal set by the Political Bureau: "We must mobilize the greatest possible efforts by the entire party, all the armed forces and all the people in both zones of the country to advance our revolutionary war to the highest level of development and, by means of a general offensive and general uprising, rout and wipe out the majority of puppet forces, topple the puppet administration on all levels, put all political power into the hands of the people, liberate the South, complete the people's national, democratic revolution in the South and advance to the peaceful reunification of the country"(Political Bureau resolution, October 1974).

As regards our efforts in the diplomatic field, we gave cadres and party members a thorough understanding of our party's position of "fighting while negotiating, signing while fighting" with the aim of creating the conditions for the armed forces to complete their task. Political and ideological work inspired cadres and party members to display a high spirit of responsibility and sense of organization and discipline, display boundless bravery, lead by example and rush to the places where hardships and difficulties are the greatest. Political and ideological work had the impact of mobilizing the greatest possible efforts by the entire party, all the armed forces and all the people in both zones of the country, mobilizing all forces for the successful liberation of the South. Political and ideological work inspired everyone to march bravely forward for the sake of the cause of liberating the South and reunifying the fatherland, for the sake of the revolutionary cause of the people of the world and all progressive mankind.

The ideological struggle against the enemy was an important aspect of political and ideological work. The October 1968 Party Central Committee resolution "on the new situation and tasks" emphasized: "We must attach very much importance to intensifying the struggle against the enemy on the political and ideological front and take determined steps to defeat each psychological warfare tactic of the enemy." In their aggression against our country and enslavement of our people, the U.S. imperialists employed not only an expeditionary army consisting of more than one-half million U.S. troops, but also a huge psychological warfare apparatus complete with the most modern equipment. Struggling against the psychological war waged by the enemy was an indispensable aspect of our people's resistance against the United States for national salvation.

In the ideological struggle against the enemy, we focused our efforts on the enemy's fundamental weakness, namely the unjust nature of the war being waged by the United States. We showed how the policy and actions of the United States constituted aggression and showed that the puppet government in the South was a lackey of the United States. We clearly showed that the U.S. imperialists and their lackeys sabotaged the 1954 Geneva Accords and the 1973 Paris Agreement. We showed that our people's war of resistance against the United States for national salvation was a just war, that we had to fight the United States for the sake of national independence and peace.

By being coordinated with the military struggle and the political struggle, the ideological struggle against the enemy helped to crush the will of the United States to persist in its aggression. Through the ideological struggle, we made it clear that ours was the position of the inevitable victors, that the United States and its lackeys would surely be defeated. By building upon the victories won by our armed forces and people in the battles of Ap Bac, Binh Gia, Nui Thanh, Van Tuong, the Mau Than Tet and Route 9-Southern Laos, by building upon the feats of arms recorded by downing U.S. aircraft and capturing American pilots in the North...our ideological struggle helped to steadily shatter the will of the United States to win victory. Within the ranks of the U.S. Army, within the ranks of mercenary forces and the army of the lackey government, defeatism became more widespread with each passing day.

Due to the unjust nature of their war of aggression, U.S. expeditionary forces fought without ideals and their morale was low. On the battlefield in the South, the modern army of the U.S. imperialists had to fight under very difficult and adverse conditions, conditions to which they were not well suited. As a result, their morale fell even further. Dealt painful blows by our armed forces, their panic spread. Our propaganda efforts added to the blows dealt the enemy in our ideological offensive and caused their morale to fall still further. The will of the U.S. imperialists to persist in their aggression had been shaken.

Through our political and ideological work, we actively participated in proselyting enemy forces. In the resistance against the United States for national salvation, our party viewed enemy proselyting as very important work. Le Duan said: "Breaking up the military forces of the enemy is a very important and pressing requirement. We must launch a truly widespread and strong mass enemy proselyting movement." He also said: "Winning victory over the enemy by means of enemy proselyting is as important as winning victory over the enemy on the battlefield"("Letters to the South," 13 August 1982).

The propaganda and agitation efforts we directed toward enemy soldiers were constant. Enemy proselyting was closely combined with the political struggle and the armed struggle. We sternly denounced the schemes and crimes of the Americans and puppets, exposed their lies and cunning allegations and developed hatred of the Americans and puppets among enemy soldiers. We gave puppet soldiers and puppet government personnel a clear understanding of our policy of broad unity and national concord. We showed them the shame associated with the life of a slave, showed them the pain and suffering of our people, all caused by the Americans and puppets, and showed them the need to resist the United States and its lackeys in order for our country to achieve independence, our people to achieve freedom and happiness. Via the air waves, the voice of our just cause was heard even in the sleeping quarters of puppet soldiers and government personnel and awakened their spirit of patriotism.

As our victories and the defeats of the enemy grew larger, the morale of puppet enlisted personnel and officers declined and we intensified our enemy proselyting effort to shatter the ranks of the enemy. Adopting "peace" and "resistance conscription" as our slogans, we launched propaganda and agitation campaigns directed toward families with relatives in the armed and semi-armed organizations of the enemy, campaigns that led to large-scale, public struggles against conscription, struggles demanding that husbands and sons desert and return home, that they turn in their weapons and not go off to fight, etc. We also worked among the parents, wives and children of soldiers, organizing them to agitate among active duty enemy military personnel. We attached special importance to propagandizing and educating youths. When conscripted by the enemy, many youths who had been enlightened by the revolution became active elements of ours within enemy ranks.

The U.S. imperialists and their lackeys used the slogan "support the nation, wipe out the communists" to divide families, sow hatred within villages and hamlets and push some persons down the path of crime. Ours was the policy of uniting and mobilizing everyone who could be mobilized for the resistance against the United States. Clemency was extended to everyone who deserted the enemy and returned to the people. We adopted a correct 10-point policy concerning puppet soldiers.

Our political and ideological work also clearly explained our policy concerning puppet military and government personnel following the conclusion of the war in order to give them peace of mind. General Secretary Le Duan said: "Following liberation, we must appeal for unity and draw those persons who chose the wrong path back to their neighbors and villages, back to the fatherland and the people. National harmony is also harmony within each family, within each village and hamlet, harmony that brings families together, that brings concord and happiness to each village and hamlet." He also said: "In the spirit of national harmony, the revolution's policy is 'general amnesty' for all persons who participated in political or armed organizations of the enemy. Everyone who realizes the mistakes that they made, severs themselves from their past and returns to the path of righteousness has a place in the nation's heart"("Letters to the South," August 1972).

Through the press and over the radio, we explained that our approach was to exert influence through charity and justice, to treat others on the basis of clemency and absolutely never seek revenge. Our press and radio denounced the crimes and exposed the insidious, divisive schemes and tactics of the Americans and puppets. However, instead of sowing hatred of those persons who came back to the revolution, who returned to the people, we directed our efforts toward the main criminals--the U.S. imperialists and their top lackeys. We appealed to patriotism and affection for one's fellow countrymen, affection for one's birthplace, for one's village and hamlet. Our position was to encourage everyone to unite with, love and support one another, to set aside the suspicions and hatreds caused by the U.S. imperialists and their lackeys and eagerly participate in the causes of liberating and defending the fatherland and building the new life of peace, freedom, comfort and happiness.

The experience gained in political and ideological work during the resistance against the United States for national salvation was very broad and valuable. As a result of fully adhering to the party's line and closely following the strategic guidance provided by the Party Central Committee, political and ideological work always took a revolutionary-offensive position, taught the spirit of patriotism and a deep hatred of the enemy to all strata of the people, gave cadres, party members and the people a clear understanding of the party's line, united millions of persons as one and inspired cadres, party members and the people to make every effort to implement this line and resolutely fight until total victory was won.

Today, we are performing the two strategic tasks of successfully building socialism and staunchly defending the socialist fatherland. The experiences gained in political and ideological work during the resistance against the United States can be useful to us in our political and ideological work today. We must draw from the political and ideological work conducted during the resistance against the United States the basic themes, the essential elements of this work in order to apply them in the new stage of our country's revolution so that our current political and ideological work is a solid guarantee that the party's line on the socialist revolution and its national defense line will be implemented.

Today, the task of our political and ideological work is to inspire the entire party, all the armed forces and all the people to make every effort to unite in labor and combat, in building and defending the fatherland, and be determined to defeat the wide-ranging war of sabotage and the war of encroachment and occupation being waged against our country by the Chinese expansionists and hegemonists in collaboration with the U.S. imperialists while constantly improving the country's overall state of preparation and being ready to win victory over a war of aggression of any size and in any situation should the enemy recklessly unleash such a war.

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THE CURRENT STRUGGLE BY THE WORKING CLASS OF THE CAPITALIST COUNTRIES FOR A DECENT STANDARD OF LIVING, DEMOCRACY AND PEACE

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[Article by Vu Quang]

[Text] On 1 May 1986, the working class and laboring people of the entire world will celebrate international labor day, the day which, 100 years ago, was marked by the blood shed by American workers in the streets of Chicago as they pressed their demands for an 8-hour workday. Nowadays, red flags flutter in the air across the planet on this date each year, reminding us of the long and brave history of struggle marked by glorious feats of arms of tens of millions of workers in all countries. These flags call for the continuation of the struggle to liberate labor, liberate mankind from all oppression and injustice. Today, these flags remind everyone that on one part of our planet, the class of laborer continues to wage a bitter struggle every hour of every day against the policies of cruel exploitation and suppression of capitalist bosses and the ruling classes.

Following World War II, devastation and mass unemployment were everywhere. The laboring masses under capitalism intensely hated the capitalist monopolies, these organizations that supported and protected fascism, the mortal enemy of peace and the cause of the crippling of the economies of the capitalist countries and the world. In the face of the pressure generated by the worker movement, employers were forced to take many measures to provide the worker with a minimum standard of living and put into effect a number of social insurance policies. Capitalists have been put on the defensive. It can be said that during the many decades since the war, in conjunction with the temporary economic prosperity in the capitalist countries, the worker movement has won large victories in the struggle against the capitalists, the struggle to protect the rights of workers. It is against this background that revisionists have been quick to advance various theories aimed at defending capitalism, such as the theory that capitalists and labor "cooperate," the theory of "people's capitalism," the theory of the "welfare state," the theory that capitalism and socialism have "converged"... Recently, the leaders of the ruling social-democrat parties in the Federal Republic of Germany, Austria...proudly declared that their countries--places where capitalism has been deeply rooted for several centuries--have now become "socialist" countries. To the working class, this truly comes as an odd assertion to make. What is the reality? In the countries mentioned above as well as in all the capitalist countries, there are sharp antagonisms between labor and capitalists, between the exploited and the exploiters. There are widespread signs of the disintegration of classes and signs of the impoverishment of the proletariat. These realities refute the specious arguments presented above.

Modern capitalism is different from capitalism in the mid-20th century. How is it different? The primary difference is the strong development of state monopolistic capitalism. The strength of monopolistic capitalism and the power of the bourgeois state combine within a single mechanism. The objective of this mechanism is to curb and extinguish the struggle by the working class and abolish the social gains made by the laboring masses in their many years of continuous and hard struggle. This has exerted unprecedented pressure upon the working class in its struggle to protect its life and made the antagonisms between exploiters and the exploited increasingly sharp. At the same time, the increasing internationalization occurring within the system of state monopolistic capitalism, the increasing development of international ties among monopolistic capitalists and the agglomeration and centralization of capital on a multi-national scale have turned the capitalist world into a workshop of imperialism, the representatives of which are the multi-national corporations. This situation has made it possible for imperialism to map out a common economic, political and social strategy aimed at raking in maximum profits concealed in sophisticated forms in order to deceive workers, divide workers and set the workers of one country against those of another. Now, more than ever before, facts are eloquently proving the following statements by Marx: capital is an international force. Therefore, the proletariat must be an international force.

Through the multi-national corporations, imperialism and neo-colonialism have intensified their effort to squeeze profits from the developing countries. They pay the workers of the developing countries more than two times less than the workers of their own countries. Large U.S. corporations are using the labor of poor countries to avoid paying higher wages to American workers. Because they have amasses huge profits by this method, many monopolistic capitalists are able to withstand strikes by thousands of workers that last for months, even years. The modern world is witnessing a perverse situation: at a time when millions of workers in the developing countries toil all day for a cheap wage, millions of workers in the most highly developed capitalist countries are being fired and experiencing lengthy periods of unemployment. Never before has capitalism sucked the blood of workers at home and abroad in such a sophisticated and cruel way, just like the leech with two suckers that President Ho Chi Minh described many decades ago. Never before has the working class in the capitalist world, both the developed and developing countries, had to struggle so hard against ruthless attacks by multi-national corporations as it must today.

One major characteristic of modern capitalism is that capitalists make every effort to use the achievements of the scientific and technological revolution to upgrade production forces to a very high level of development. In the hands of state monopolistic capitalism, the enormous, unprecedented strength of science and technology has become an entirely selfish tool. It uses the latest achievements of civilization to serve its class interests and maintain the survival of capitalism.

Facts show that the application of new technology permits the development of economic sectors that require little labor and reduces manpower needs. However, under the capitalist system, the scientific and technological revolution has caused serious social consequences. Millions of workers have been thrown out of their factories and are experiencing hard times. Unemployment has become chronic, regardless of how the capitalist economic situation changes. Monopolies and their servants in the ideological field are always lying to the laboring masses. They tell workers that they have no reason to be afraid of science and technology! To date, however, all the advances that have been made in technology and industrial production processes under capitalism have resulted in increased unemployment not only among industrial workers, but even within the ranks of "white collar workers," that is, technicians and mental laborers within the economy. Why, during the final decades of the 20th century, are the workers under capitalism still the victims of technological advances, of increasingly modern machinery? Why is capitalism still unable to use science and technology to benefit the laboring masses as capitalists are always proclaiming they are doing? Why has the right to work been taken away from millions of persons? Capitalism never provides a satisfactory answer to these questions. All the answers to these questions lie in the law of surplus value--the pursuit of profit, which reigns supreme within the capitalist economy. In all the most advanced capitalist countries, a strange phenomenon is occurring: competition among robots, modern technology and workers. The working class must contend with a new situation. They must wage a vigorous struggle to force the owners of enterprises to retain the jobs of workers and improve their working conditions instead of firing them when applying new technology.

In the decades ahead, according to scientific forecasts, the strong development of the scientific and technological revolution will continue. Production technology and equipment will undergo unprecedented changes. However, under capitalism, private ownership, the source of all misfortune, will continue to prevail, will remain just as it is today. The scientific and technological revolution cannot put an end to economic crises and unemployment, cannot serve the interests of all society. The working class must continue to brandish the banner of struggle against capitalism, against unemployment, demand reduced working hours and demand that it be the beneficiary of scientific and technical advances.

One salient characteristic of the modern capitalist world is the frenetic activities of the military-industrial complex. Monopolistic capitalist groups specializing in weapons production, warmongering generals, groups of bureaucrats within the capitalist state, the ideological apparatus and their war research agencies--all have combined to form what is called the military-industrial complex, which is the most competent propagandist and administrator of the reckless and insane arms race policy and the policy of making preparations for war. The production of nuclear weapons, the nuclear arms race and the militarization of space are generating huge profits for capitalist monopolies. Meanwhile, these enormous military expenditures have fallen as a heavy burden upon the shoulders of the working class and laboring people. This fully criminal collaboration between weapons producers and the imperialist state administration is the foundation upon which the radical reactionaries of militarism and neo-fascism, the constant source of the threat of war, create upheavals and countless difficulties in the life of the worker.

In the arms race and in war, the worker gains nothing. To the contrary, it is the worker who loses the most. The military buildup has gobbled up large amounts of wealth that could have been used to free hundreds of millions of laborers from chronic hunger, pervasive unemployment, disease, illiteracy, environmental pollution... On the average, an investment in the military economy produces three to four times fewer jobs than an equal investment in the civilian economy. In the United States, the natural resources gobbled up by the military budget each year, if used for peaceful needs, could create 10 million jobs, that is, three times more than the number of jobs created within the framework of military production. In the imperialist countries, mainly in the United States, the state administration has cut scores of welfare expenditures, reduced the scope of the social insurance system and kept worker wage increases in check in order to support their militarist policy. These steps have been accompanied by the emergence of the most dangerous enemies of the worker movement--neo-fascism, chauvinism and anti-communism. These powers fully support and are closely associated with the militarist policy of imperialism. The entirety of the situation described above faces the working class with an urgent task: waging the most determined struggle against the arms race, the most determined struggle to safeguard peace.

Militaristic capitalist groups and their representatives are advancing all sorts of arguments to deceive workers. They allege that military production is a necessary factor in stabilizing the economy and maintaining the standard of living. Their militaristic propaganda apparatus seeks to poison workers with the thinking of being opposed to peace, being opposed to a shift in the use of the military economy to peaceful purposes. Communists and militants in the vanguard of the working class are working tirelessly to show workers that the arms race and military production are closely tied to unemployment, to fewer jobs, lower wages and a reduction in social welfare, to the most serious threats to the basic interests of the worker.

The internationalization of state monopolistic capital, the strong development of scientific and technical advances and the increasing militarization of the economy, all of these factors are occurring against the bitter background of the inherent crises of capitalism, thus making the antagonisms between labor and capital, between society and monopoly even deeper. These crises--the general crisis, the structural crisis and the cyclical crisis--overlap and intertwine, thus causing unprecedented harm to the interests of the worker.

The 1974-1975 economic crisis was the most serious stage of stagnation after the Vietnam war. It broke out in the United States and spread to the entire capitalist world. The 1980-1982 crisis was the worst recession since World War II. The serious decline that occurred in all sectors of the economy produced record levels of unemployment. As of 1985, the number of persons on official unemployment roles in the 24 OECD member countries still stood at more than 30 million. In the United States, a new period of recession began in 1985. The number of totally and partially unemployed exceeded 14 million. In the space of only 2 years, as a result of their policy of laying off workers and closing enterprises, the owners of U.S. capitalist corporations took 200 billion dollars away from the working class. During the first year of his first term in office, Reagan cut the expenditures on social programs by 100 billion dollars, thus reducing the standard of living of the worker. These are very heavy blows to the living standards of American workers.

Against this background, the struggle being waged by the working class and laboring masses has steadily grown. They are pressing their demands for democracy, jobs, better living conditions and no welfare cuts and voicing their opposition to increases in the military budget, to the arms race, to layoffs and unemployment. Hundreds of strikes have occurred in the capitalist countries. Most typical among these were the strikes in Italy in February 1985, in Portugal in June 1985, in Spain in July 1985...in which millions of persons participated. These were the largest struggles waged by the working class of the capitalist countries in many decades. In the United States, workers have been continuously struggling against attacks by the ruling class since the start of the 1980's. In 1984, workers at 80 percent of the mines in Great Britain went on strike against enterprise owners for firing some 20,000 mine workers. This strike by mine workers was the catalyst of an unprecedented proletarian solidarity movement. Within Great Britain, worker organizations of other industries and different political leanings, including the British Labor Party, supported the struggle by mine workers in practical ways. Trade Union organizations in more than 50 countries of the world provided material and financial assistance to British mine workers.

It can be said that the worker movement in recent years has been characterized not only by the increasingly profound nature of the themes of struggle, but also by the increasing variety of forms of struggle employed, such as the "warning" strike, the "rotating" strike (rotating from one place or enterprise to another place or enterprise), protest demonstrations by workers, the organizing of national action days and, the highest forms of all, the occupation of enterprises, the blockading of enterprises... Of these forms, strikes against mass layoffs, as staged by British mine workers, are the most common form in the current stage.

Besides the changes that have occurred in working conditions and the circumstances surrounding the struggle, a new phenomenon has also emerged within the working class, it is the rise in the number of "white collar" workers (workers who are not manual workers) and the decline in the number of "blue collar" workers (manual workers). This is an inevitable trend, one consistent with the modernization of production. In Great Britain, manual workers have become the minority in the workforce. However, in the struggle against capitalism, manual workers have a stronger tradition, a more determined spirit and a higher sense of class solidarity. This situation raises a new issue, namely, the need to unite both of the above mentioned components of labor within a common anti-exploitation front. This is a matter of pressing importance in the worker movement and the activities of trade union organizations today.

Today, the working class of the world is not confined to the developed capitalist countries, but is growing vigorously in the developing countries. In the developing countries that are following the capitalist path, the working class, although still young, has grown quickly and is emerging in the international arena as a very important force. They must fight both foreign capitalists and exploiters at home. In the course of their struggle, they are gradually being reorganized. There class consciousness and political maturity are also developing. Economically, they are the targets of brutal exploitation by native capitalists and multi-national corporations. Politically, worker organizations of all tendencies, especially social-democrat reformism, seek to win their support. This situation demands that the worker movement in this region combat attempts to divide it, combat trends toward class cooperation with capitalists and continue to brandish the banner of class struggle of the working class.

At a time when the situation presented above is unfolding within the capitalist countries, in the socialist countries, the working class has been freed from all oppression and exploitation, has truly become the master of society, nature and itself, is leading the cause of building the new society, bringing happiness back to all the people and ushering in a brilliant future for mankind. This further inspires and encourages the working class of the capitalist countries to wage a determined struggle for the sake of its vital interests.

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THE WORKING CLASS OF VIETNAM--PAST AND PRESENT

Hanoi TAP CHI CONG SAN in Vietnamese No 4, Apr 86 pp 37-42

[Article by Pham The Duyet]

[Text] On 1 May 1986, the working class and laboring people of Vietnam, together with the workers and laborers of the entire world, solemnly commemorate the 100th International Labor Day. Exactly 100 years ago, on 1 May 1886, some 340,000 American workers staged a demonstration to demand an 8-hour workday, thereby ushering in a brilliant period of struggle by the working class of the entire world. Four years later, on 1 May 1890, a great demonstration by the working class took place in many countries at once: the United States, Canada, France, Germany, Austria, Hungary, Denmark, Belgium, Sweden, Rumania and Holland. On that occasion, Friedrich Engels added the following inspiring words to the preface to the "Communist Manifesto": "...Even today, as I write these lines, the proletariat of Europe and North America are recounting their fighting forces... Today's scene will show the capitalists and landowners of all countries that the proletarians of all countries have truly united with one another."(1)

During this period, the working class was just coming into existence. Its birth was the result of the French colonialists opening plantations, mines, roads, machine-repair works, etc. Bankrupt peasants from many different regions were drawn here to "sell themselves for a few sou." And, with that, they became the working class.

In the first stage of development, development by French capitalism (during the final years of the 19th century), our country's working class numbered about 50,000 persons. By 1929, with the second stage of development, colonial development by the French colonialists, our country's working class had grown to 220,000.

Thus, the working class of our country emerged at the time when capitalism was entering the stage of imperialism, socialism had begun to appear with the birth of the great Soviet Union and the working class had become the center of the age.

As soon as it was born, Vietnam's working class embodied the fine qualities of the international working class: a thoroughly revolutionary spirit, the sense of organization and discipline and the proletarian international spirit. At the same time, our country's working class possessed certain unique characteristics of its own: it was born before the domestic bourgeoisie came into being; was enlightened by Marxism-Leninism at an early date; acquired the leadership of a political party at an early date; was a homogenous class, a class that had no workers' aristocracy; was not under the influence of reformism; and had close ties to peasants and the other strata of laboring people. These factors explain why Vietnam's working class has always possessed the spirit of thorough revolutionary struggle, has always been the central and leading force in revolutionary struggles.

As a result of being severely oppressed and exploited and its blood being the blood of an unyielding and heroic people, our country's working class continuously arose in struggle against the greedy and cruel owners. At first, the struggles were spontaneous and uncoordinated. Gradually they evolved into protests by collectives of workers against overseers. They wrote and signed petitions demanding higher wages and reduced working hours, voiced their opposition to wage penalties, beatings and so forth. After 1900, many strikes occurred, typical among which were the strike at the LUCI Company in May 1909 and the struggle by the students of the vocational school and the workers of the Ba Son Company in 1912, in which Ton Duc Thang participated.

These struggles opened the way for scores of subsequent struggles and were the basis upon which mass organizations and the party organization were established within the working class.

From spontaneous to conscious and organized, the struggles of the working class steadily developed and won increasingly large victories, which led to the formation of the active rudiments of the trade union in the form of organizations of seamen, of factory, plantation and mine workers. In particular, when the light of the Russian October Revolution reached Vietnam, the struggle of our country's working class, as if injected with new strength, grew and assumed a new quality through the efforts of the great revolutionary Nguyen Ai Quoc, through the "proletarianization" movement of revolutionary militants and through the preparations made to found the Indochinese Communist Party. The laborers within the industrial sectors were gradually reorganized in different forms of associations, such as the Friendship Association, the Mutual Savings and Loan Association, the Association of Tailors, the Matrimony Association and so forth. These were the basis of the clandestine trade unions that subsequently developed. The "proletarianization" movement brought Marxist-Leninist, revolutionary militants into activities among workers, the purposes of which were two-fold: to transform themselves and organize the revolutionary movement among the mass of workers. As a result, on 28 July 1929, the Tonkin Confederation of Red Trade Unions--the forerunner of the present day Vietnam Trade Union organization--was born. This organization grew rapidly in Hanoi, Haiphong, Quang Ninh, Nam Dinh, Vinh, Saigon-Cho Lon and at many plantations and mines.

Under the direct leadership of the party, the activities of the Red trade unions steadily grew in strength and the struggle of workers at mines, plantations and factories became a movement. The highlight of this period was the fact that, under the leadership of the party, the revolutionary movement of workers combined with the struggle being waged by peasants and created a large national, democratic, revolutionary force, a force that had the common goal of struggling against the imperialists and feudalists, a force that fanned the intense flames of revolution in 1930 and 1931, the pinnacle of which was the Nghe Tinh Soviets. This movement together with the struggles for the freedom to establish trade unions, for the livelihood of the people and democratic rights that took place during the years from 1936 to 1939 were revolutionary exercises led by the Indochinese Communist Party to make active preparations for the general uprising to seize political power in August 1945.

During the days of the general uprising, workers everywhere stood shoulder to shoulder with peasants, held high the banner of revolution, were in the forefront of the forces arising to seize political power and went on to participate in building and defending their young democratic republic.

During the 9 year resistance against France, workers in both the combat zone and the free zone made every effort to produce weapons and ammunition for the battlefield and manufacture farm implements for agricultural production. Under the leadership of the party and Trade Union, workers in the areas temporarily occupied by the enemy secretly and bravely sabotaged the enemy economy and defeated the plan of the French to "use war to support the war." When the enemy withdrew from the North, it was the working class who protected equipment and machinery so that it could be turned over to the revolutionary administration.

After 1954, under the yoke of American-puppet control, the workers of the South continued their steadfast struggle for civil and democratic rights. Through many forms of activity, sometimes covert, sometimes clandestine, that combined lawful and unlawful struggle, political struggle and armed struggle, workers tenaciously and bravely fought the enemy, achieved a combined strength and contributed along with all our armed forces and people to bankrupting each war strategy of the U.S. imperialists and their lackeys. In the great general offensive and coordinated uprisings in the spring of 1975, workers throughout the South arose, took control, protected assets, participated in establishing the new administration, actively restored and developed production and maintained political security and social order and safety.

In the North, the period following 1954 was a period of brilliant development for Vietnam's working class. Under the party's economic line, hundreds of worksites, factories and state farms sprung up everywhere. The working class grew quickly, truly became the force in the vanguard of the three revolutions, capably participated in socialist transformation and socialist construction, made worthy contributions to the successful completion of economic recovery and development plans, to the building of a stable, strong North and to firmly defending the North while competently supporting the South. During the years of the U.S. imperialists' insane air attacks on the North, the working class, along with the rest of the people, displayed a tenacious will, displayed intelligence and creativity in each field of production, communications and transportation, voluntarily joined our main forces, organized combat self-defense forces...to support and share the fighting with the South.

Since the complete reunification of the country and in keeping with the party's socio-economic development line, the working class of the entire country, along with the rest of the population, has made every effort to overcome the difficulties caused by the 30 years of war and endured every sacrifice and shortage in order to build the material-technical bases of socialism nationwide while fulfilling our international obligation to the two fraternal countries of Laos and Cambodia.

The historic role and mission of Vietnam's working class have always been closely linked to the historic role and mission of the world's working class. As we know, one of the first organizations through which the working class of Vietnam struggled was the organization of the seamen on the merchants ships of the French capitalists that served the Saigon-Hong Kong and Saigon-Marseilles routes. These seamen came from many different colonies in Asia, Africa... Although their nationalities differed, although the color of their skin differed, although they spoke different languages, they were all poor, were all slaves and they arose together against the greedy, rich ship owners. And, it was these very seamen who joined Ton Duc Thang in raising a flag in support of the Russian October Revolution aboard a ship of the French imperialists.

The success of the Russian October Revolution and the birth of the first stage of the working class and laboring people in the world profoundly influenced the thinking and feelings of the young working class of Vietnam. During those years, leaflets supporting the Soviet Union, supporting the October Revolution appeared in our country each time 1 May and the anniversary of the August Revolution were celebrated. From the time that the party assumed leadership, especially from the time that the administration was established, our country's worker movement has developed increasingly close ties to the international worker movement.

In the resistance against France and especially in socialist construction in recent decades, the working class of Vietnam has increasingly shown itself to be an integral part of the international working class. In particular, in the struggle against fascism in World War II and against the U.S. imperialists' preparations for nuclear war, in the struggle to safeguard world peace, the working class of Vietnam has, through its concrete actions, closely coordinated with the working class of all countries and oppressed nations in the common struggle for peace, national independence, democracy and social progress. The Vietnam Confederation of Trade Unions, the largest organization of the working class of Vietnam, has been an active member of the World Federation of Trade Unions for many years.

The history of the formation and development of Vietnam's working class has been the history of tenacious revolutionary struggle. Vietnam's working class is still very young and is not large. However, it has always stood in the center of the nation's historic events. It is the class that represents the most progressive mode of production, the class which, together with farmers, forms the main force army of our country's revolution. It has carried on and developed upon the glorious tradition of struggle of the nation of Vietnam.

Today, our entire country is engaged in a new fight, is carrying out the greatest, most profound and most thorough revolution in history: the socialist revolution nationwide. In addition, we must always maintain our vigilance in the face of the border war of encroachment and occupation and the wide-ranging war of sabotage being waged by the Chinese expansionists and hegemonists and defend the socialist fatherland. At the same time, our international obligation is also very large. Vietnam's working class is always in the forefront of these important tasks.

To discuss socialism is to discuss industrialization. Socialist industrialization is the central task throughout the period of transition in our country. The working class is the decisive force in socialist industrialization. In the initial stage of the period of transition in our country, developing agricultural production is the front of foremost importance. The working class has the important, constant task of launching emulation movements to produce, practice frugality, make technological improvements and raise labor productivity in industry and competently support the development of agriculture.

Today, our country's working class has in its hands some of the strongest and most modern material-technical bases. In the past 10 years alone, we have constructed more than 300 state level projects and created a significant amount of new production capacity within such key economic sectors as the power sector, the coal sector, the cement sector, the mechanical engineering sector... Also during this period, 35 to 37 percent of total investment capital has been invested in industry. As a result, the fixed assets within industry have increased 2.5 times. The number of state-operated enterprises has increased 1.4 times. The number of workers has increased 1.3 times. Consequently, industrial production has grown at the annual rate of 8.1 percent.

The working class has not only had a direct impact upon industrial production, upon scientific-technical research, but has also had a direct and increasingly widespread impact upon every other sector of the economy, most importantly agriculture. This is seen in the development of scores of new crop varieties and breeds of livestock, in irrigation, drainage, the preparation of fields and the services, in the production of fertilizer, pesticides and so forth. It can be said that with each passing day, the activities of the working class, of industry have increasingly participated in the effort to raise crop and livestock yields, thus helping to solve the critical problem of our society today--the grain and food problem.

However, due to the circumstances surrounding it birth and growth, Vietnam's working class has certain weaknesses: there are not many veteran or traditional workers; the percentage of workers in the higher job grades is very low; the number of workers has grown rapidly in recent years but because our conditions and level of industrial production are not highly developed, the working class still embodies, to a large degree, traits of the class of farmers; the industrial style and the sense of organization and discipline of the working class are still poorly developed.

Understanding these special characteristics of the working class is extremely necessary in the process of carrying out the socialist revolution in our country.

We must teach and encourage workers to build upon the glorious traditions of the class and nation while making every effort to overcome their weaknesses and to grow and excellently complete the important tasks of the class and nation. In the immediate future, the following several jobs of primary importance must be performed well:

First, we must steadily increase the size and improve the quality of the working class. This is a constant task, one that encompasses many areas and must be performed together by many organizations, from the party and state to the mass organizations.

By means of political and ideological education, by teaching tradition in coordination with various management measures and the proper implementation of systems and policies, we must cultivate among workers class pride, the spirit of collective ownership and the sense of organization and discipline. These must be given concrete expression in high labor productivity, high quality work and high efficiency on the job, in the attitude of waging a determined struggle against negative phenomena within one's unit and in society and establishing a scientific workstyle, in conscientious, diligent and creative labor. These are the ethics, the conscience of the socialist worker.

In conjunction with political and ideological education, we must gradually build and improve the economic management mechanism in order to guarantee the autonomy of basic units in their production and business and uphold the right of collective ownership of the laboring masses. At the same time, we must restructure production and reorganize labor to insure that each person has a job and works with high efficiency and productivity. These issues are not solely economic. They are also social and ethical issues, are the issues involved in building the working class.

In our efforts to build the corps of workers, attention must be given to providing skill training to workers, especially to young workers. To date, only about 30 percent of the direct production workers in the various sectors of the industrial economy have received training in formal classes. This has kept labor productivity, product quality and economic efficiency from rising. This situation demands that each basic unit, each sector and the entire country adopt plans for providing supplementary skill training to veteran workers and systematic training to young workers. Specific measures must be enacted to train a corps of skilled workers, workers who are leaders in their fields and workers in the traditional trades. Facts show that many famous products have been developed by traditional trades, such as the bronze casting trade, the silk weaving trade, the pottery-ceramics trade and so forth. Therefore, providing training in the traditional trades is an issue that must be addressed, the sooner the better.

Secondly, in view of the current wage and price situations, the standard of living of manual workers and civil servants is a matter that must be given special attention. The prerequisite to stabilizing prices and the standard of living is developing production. Therefore, as mentioned above, we must quickly improve the economic management mechanism, restructure production, reorganize labor, streamline the indirect apparatus, eliminate unnecessary intermediary elements and provide jobs for displaced workers. On this basis, we must develop production and expand the payment of contract wages and piecework wages. The trade unions must join with state agencies in re-examining wage, price and social insurance systems and policies and all other subsidies and allowances and adjusting them along lines that provide incentive for production and guarantee the legitimate interests of the worker. The trade unions must coordinate with the administration on their level in creating the conditions for manual workers and civil servants to participate in the household economy in order to overcome some of the difficulties being encountered in everyday life.

In the recent past, especially since the implementation of the resolution of the 8th Party Plenum, some specific steps taken with regard to prices, wages and money have been marked by mistakes and shortcomings, which have adversely affected production and the standard of living. We must resolutely and promptly correct these mistakes and shortcomings in order to accelerate production, stabilize and gain control over the market and prices and stabilize the standard of living of the laboring people, most importantly the standard of living of manual workers, civil servants and the armed forces. Lenin taught: "The first task is to save the laborer. Mankind's most important production forces are workers and laborers. If they survive, we will be able to save and restore everything."(2)

Thirdly, we must intensify the building of the party among the working class and agitate among workers to participate in party building. This is a large and very important job, one that must be performed on a regular basis. However, in recent years, full attention has not been given to this work at certain times and places. At present, workers only make up about 10 percent of party membership. The number of key cadres of the party and state on the various levels who come from a worker background is not high either. Meanwhile, some young workers have no interest in the activities of mass organizations, are hesitant about having a close association with party members and there are even persons who do not want to join the party.

When preparing for and holding the party organization congresses on the various levels as well as when making preparations for the 6th National Congress of the Party, basic units must arrange for workers to contribute their opinions to the documents of the party congress and criticize cadres and party members. At the same time, they must introduce to the party outstanding workers so that they can be trained and accepted into the party. We know that the communist party is the nucleus, is the vanguard unit of the working class. The first place that the party must be developed is among the working class. It is there that we must train for the party outstanding cadres who possess good qualities, are competent, know how to perform their job and make sacrifices throughout their lives for the cause of the party, of the working class.

The tradition of Vietnam's working class is a very heroic and glorious tradition. The mission of Vietnam's working class is a most noble one. Its future is also very bright. These are entirely objective factors. In view of the fact that our economy is experiencing many difficulties, the tasks that confront the working class are exceedingly large. To help bring about a change in the socio-economic situation, a change in the direction of eliminating the style of management based on bureaucratic centralism and state subsidies and shifting entirely to economic accounting and socialist business practices, let each manual worker and civil servant grow and be worthy of the tradition of his class. The trade union organization must fulfill its task as the largest organization, as the school of communism, as the school of economic management and state management of Vietnam's working class.

FOOTNOTES

1. K. Marx and F. Engels: "Tuyen tap,"[Selected Works], Su That Publishing House, Hanoi, 1980, Volume I, p 526.

2. V.I. Lenin: "Collected Works," Progress Publishers, Moscow, 1977, Volume 38, p 430.

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TOWARD THE 6TH PARTY CONGRESS: CONTRIBUTIONS TO THE SOCIO-ECONOMIC STRATEGY DURING THE INITIAL STAGE IN OUR COUNTRY

Hanoi TAP CHI CONG SAN in Vietnamese No 4, Apr 86 pp 43-49

[Article by Hoang Xuan Tuy, head of Secretariat of the Central Education Reform Commission]

[Text] Editorial Note: beginning in this issue, in order to tap the intellect of cadres, party members and the people and enable them to contribute to the formulation of the line and policies of the party, TAP CHI CONG SAN will carry a section entitled "Toward the 6th Party Congress." In this section, we will publish opinions contributed by readers nationwide and by overseas compatriots to the formulation of socio-economic strategy during the initial stage of the period of transition to socialism within our country. It is hoped that readers near and far will enthusiastically participate by sending articles to us in order to make practical contributions to preparations for the 6th Party Congress.

Bringing About Changes in Education

Today, following 40 years of revolution under the leadership of the party, our once backward country, a country in which more than 90 percent of the population was illiterate, has a relatively well developed, nationwide socialist system of education, a system that encompasses all levels of education: child care centers, kindergartens, general schools, supplementary education schools, trade training schools, vocational middle schools, academies, colleges and post-graduate facilities. The network of schools reaches everywhere. At present, more than 3 million children are enrolled in child care centers and kindergartens, 11,767 students are enrolled in general schools and more than 300,000 students are enrolled in trade training schools, vocational middle schools, academies and colleges. One of every four persons is attending school. Millions of young students have become laborers in every region of the fatherland, become brave soldiers who have recorded imposing feats of arms and contributed to the struggle for national independence and socialism, for the reunification of the country. The education system has trained a corps of scientific and technical cadres consisting of more than 1 million persons of all levels of education, all occupations. It has trained a rather large corps of manual workers who are educated and skilled.

During the past several years, in the face of countless difficulties, the schools have maintained the "two goods" emulation movement and initiated educational reform. Many localities and schools have taken creative steps to implement the education line and guidelines of the party. As a result, positive changes have gradually occurred in the quality of education. Most obvious are the changes that have occurred in the outlook of the leaders of localities and the education sector concerning the nature of the general school as a school that teaches basic knowledge, teaches labor and general technical skills, provides occupational counselling and teaches a trade; concerning the need to closely tie education to efforts to meet the socio-economic goals of the entire country and each locality; concerning the need to closely link teaching and learning to productive labor and the need to apply technical advances in production and everyday life. Advanced model units, heroic collectives and individuals and national emulation warriors have emerged on the education front.

These progressive units and individuals show that we can appropriately develop education regardless of the difficulties being faced.

However, the changes mentioned above are only initial changes and do not constitute a whole system. There are still many shortcomings and weaknesses. Generally speaking, these shortcomings and weaknesses exist in the following three areas of basic importance:

First, there are shortcomings and weaknesses with regard to the quality of education. The school has not done enough to teach the young generation the concept of being ready to serve anywhere and perform any job required by the fatherland. Pragmatic thinking, the fear of hardships and difficulties, egalitarianism and the lack of revolutionary ambition and ideals are still quite widespread among youths and students. There are many trades that are necessary for socialist construction which only a few persons want to learn or which persons learn only when compelled to do so. Graduates of colleges, academies and vocational schools usually prefer to work in the municipalities and cities. Generally speaking, instruction is still largely oriented toward purely academic subjects. Theory is divorced from practical application, from productive labor. The majority of general school students want to learn in order to go to college. Colleges, academies and vocational schools have not restructured their subject matter or training programs, formulated plans for scientific research and experimentation, planned training and so forth on the basis of socio-economic requirements and goals. Full attention is not being given to teaching aesthetics, to physical education or to providing an education in national defense. The physical fitness of students is declining.

Secondly, there are shortcomings and weaknesses with regard to the scale and rate of development of education. At present, there are still more than 7 million children, two-thirds of the number of children of pre-school age, who are unable to attend a child care center or kindergarten. The popularization of level I education has not been completed and is far from completion in the mountains and the Mekong Delta. Not much has been done to complete the popularization of level II education (basic general school education). The number of college, vocational middle school and trade training school students has declined compared to 5 years ago (there were 150,000 college students in

1980, only 120,000 in 1985). The rate of development of education and training is very slow compared to the growth of the population and the requirements of the revolution. After 1975, there were 35 students per 10,000 persons. Today, there are only a little more than 20 per 10,000 persons. The youths and laborers of our country are intelligent, diligent and creative. However, because the development of education is still slow, because we have not assigned jobs to or utilized these persons in a way that is rational...these potentials have not been cultivated or fully developed.

Thirdly, there are the shortcomings and weaknesses in educational work. Our corps of scientific, technical and professional cadres, although rather large, lacks coordination and balance and is not efficiently deployed. In some sectors, such as the mining-geological projects sector and the forestry sector, in the collective economy and the household economy, there is still a very serious shortage of cadres. Meanwhile, in the large municipalities, in the cities and at colleges, there are still many scientific and technical cadres who are not being utilized or correctly utilized in the field for which they were trained. Many important industrial sectors, such as the sectors that process agricultural, forest and marine products, the industrial biology sector and so forth, have few specialists and leading cadres. The flow of students after graduation from basic general schools is still irrational. This has made it more difficult to provide occupational counselling and prepare youths for productive labor and has caused a lack of balance among the various education and training sectors. The method of formulating education and training plans is inappropriate, is still mechanical and simply imitates the approach taken in a number of economically developed countries. Student recruiting and training plans are not closely tied to the plans for the utilization of graduates. Some sectors (such as petrochemical sector, the automation sector...) train cadres for which there is little or no need (there are currently many more railroad engineers than there are locomotives and railroad cars. The education system is still rigid and not compatible with our country's socio-economic situation. The methods of teaching and learning are largely academic in approach and require a complete program, teachers, classrooms, equipment and so forth at a time when we are unable to provide these conditions. Many other forms of learning are being given light attention. Formalism, a penchant for diplomas, the failure to attach importance to the essential worth of a particular level of education, to the returns from training and so forth are still widespread within the education sectors and in society.

There are many reasons for the shortcomings and weaknesses described above. Just as we emerged from several decades of continuous war, the imperialists and reactionaries launched a border war of encroachment and occupation and a wide-ranging war of encirclement and sabotage against us. Our material-technical bases are very underdeveloped and backward and were heavily damaged in the war. The difficulties we face from the standpoint of the economy and living conditions are acute. The economic management mechanism and the social management mechanism are still characterized by bureaucratic centralism and state subsidies, which has very seriously curbed the display of dynamism and creativity by the various education sectors. We do not have a long-term strategy or plan for socio-economic development to lay the foundation for a strategy and plan for the development of education. However, the main causes of these shortcomings and weaknesses continue to be subjective causes. Education, as well as many other fields of activity, must comply with certain laws. However, there have been times when we have failed to grasp and act in accordance with these laws. Then, because we were impetuous and subjective, we caused harm that will take many years to overcome. We have failed to fully understand the role played by education in socio-economic development and failed to realize that among the various factors of socio-economic development, the human factor is the most important and can be the decisive factor. Generally speaking, we have still not invested an appropriate amount of effort and money in the "cultivation of humans." The Party Central Committee has yet to hold a symposium to discuss education. The Council of Ministers has also rarely discussed this issue and has not discussed it in depth. Generally speaking, the various levels of the party and the local administrations and many economic and social sectors still give light attention to educational work. Investments in education account for only a very small percentage of the total investment in the socio-economic system. The corps of teachers, cadres and personnel of the education sector do not hold a worthy position in society and appropriate attention has not been given to building, training and looking after the needs of this corps. The majority of schools are in a state of disrepair and suffer from a serious shortage of equipment. Students do who just enough to get by are widespread. Therefore, education is not exerting its full impact in stimulating socio-economic development.

Generally speaking, the education sector, from leadership and management cadres to the corps of teachers, students, pupils and even the families of students, still holds firmly to a number of views of the old society concerning education: an emphasis on teaching and learning composition; the separation of theory and practical application; the teaching and learning of academic subjects being divorced from the teaching and learning of an occupation, from productive labor; getting an education in order to acquire status... The Ministry of Education, the Ministry of Higher and Vocational Education, the Trade Training General Department and the Commission for the Protection of Mothers and Children are decentralized, are divided and have few ties to one another. In addition, their thinking is conservative and stagnant and they have been slow to concretize the education line and requirements of the party and state, slow to take steps and approaches that are compatible with the characteristics of our country during the initial stage of the period of transition. The bureaucratic centralism and state subsidies in the management mechanism of the education sector have also greatly impeded the development of education.

In the initial stage of the period of transition, the socialist revolution in our country places very many demands upon education. Education plays a very important and large role in our three revolutions today. Education cannot be considered a non-production component that is purely a welfare service, is a heavy burden upon the economy. Education has the important task of completely changing the quality of the labor force, the most important component of production forces, and also helps to strengthen and perfect the new production relations. Education is an important factor in human strategy. Thus, education must become an integral part of the social production system and be closely linked to socio-economic development. The large tasks that lie ahead during the balance of this century and the first years of the next century will be carried out by those persons who are attending school today. Consequently, we must immediately develop a correct understanding of the position and role of education and do everything possible to develop it in the right direction. We must also fully research the characteristics of our country, of our nation and evaluate the strengths and weaknesses of the youths and laborers of our country so that we can take appropriate steps and approaches.

The goal of the education system is to train the new laborer, a laborer who possesses patriotism and socialist ideals, is in good health, possesses good personal qualities, possesses the knowledge and skills of a trade and is ready to join the army to defend the fatherland or accept a job in productive labor that is consistent with the division of labor within the locality and nationwide. Our country's labor force must not only be suited to and prepared for the level of socio-economic development achieved during the initial stage and throughout the period of transition to socialism in our country, but must also be able to learn the latest achievements of the scientific-technological revolution in the world.

To achieve this goal and successfully complete the tasks of education, mainly between now and 1990, we must solve the basic problems that face each education sector:

Pre-school education must be unified, must consist of a system of child care centers and kindergartens and have the aims of raising children well and cultivating in them the initial fundamentals of the character of the new, socialist man. This will provide favorable conditions for achieving high quality in general school education and expanding the cause of women's liberation. However, there are still millions of children who are unable to attend a child care center or kindergarten. Therefore, in conjunction with expanding the network of child care centers and kindergartens and improving the quality of child care, measures must be taken to instruct mothers in how to raise children within the family by scientific methods.

The general education sector faces two large and basic problems: popularizing education and changing the nature of the school. We must try to complete, by 1990, the popularization of level I education among children of school age; the popularization of level II education within the municipalities, cities, delta areas and concentrated economic zones as well as among the cadres of the collective economic sector; and the popularization of level III education among young workers and persons within the state-operated economic sector. Not all basic general school graduates can enroll in middle schools, trade training schools or vocational middle schools. However, these graduates are still not fully capable of truly participating in labor. Consequently, the Ministry of Education should research the establishment of a type of informal, general middle school that provides an education, although not complete, in academic subjects and also teaches a trade that is consistent with the needs and division of labor of society. This type of school should be organized by state-operated and collective production units and the people on their own with assistance from the state in the areas of teachers and the management of the education program and subject matter. This would be a preparatory step for the popularization of middle school education. We must also have a system of special schools and classes so that we can select superior students and train gifted persons for the country. At the same time, we must gradually upgrade current general schools to schools that teach academic subjects and provide an education in labor, a general technical education, occupational counselling and general trade training. When they graduate from school (basic general school and middle school), students must have achieved a certain level of academic education and begun to be prepared in terms of the concept of labor and the skills of an occupation. Subject matter and programs of education will be revised in the direction of providing a comprehensive education. The teaching of foreign languages at general schools will also be expanded, with importance attached to quality. The program of instruction in Marxism-Leninism will be improved in a manner consistent with the characteristics and standards of each level of education, with the different students being taught and with the realities of the country.

The trade training sector must constitute a large percentage of the education system so that we can train skilled manual workers under a strict set of standards and achieve high quality in this effort while widely popularizing vocations among youths and laborers. Within the state economic sector, 38 percent of laborers have not received basic vocational training. Therefore, providing regular, continuous elementary and advanced training of many different forms is very necessary if we are to improve the quality of our country's workforce. We should study the experiences of many countries in the world that have laws stipulating the training standards that apply at agencies, enterprises and factories. The training task is as important as the production task of enterprises and factories. Funding must be allocated for this work. At the end of each year, any unit that has not utilized all this funding must return the balance to the state and may not use it for other purposes. Trade training schools must be restructured along lines that make the provinces and the municipalities directly subordinate to the central level in the areas that they serve. On the central level, there should only be a number of schools providing training in trades for which there is little need among the localities.

The vocational middle school sector must be closely combined with the trade training sector within a vocational education system. In many countries, general school education, trade training and vocational middle school training are provided all within the same school. In some countries, a college also provides academy and vocational middle school training. We can study these flexible approaches in order to make full use of the capabilities of teachers and material bases in education and training.

The college sector is currently experiencing the following difficulty: the number of middle school graduates is increasing each year but the scale on which students are being recruited for the formal college system is very limited. Therefore, we must boldly reform the structure of the present college system along lines that are diverse and flexible in order to meet cadre training needs and the needs involved in constantly raising the standards of the laborer. Of importance is the need to improve the quality of the comprehensive education received by the college student so that he or she can properly resolve theoretical and practical problems that arise. College, graduates can work in the collective or household economies and be paid on the basis of the contributions they make to society. We also must attach importance to the on-going training system and create favorable conditions for workers who have a need to study while working so that they can raise their standards, raise their labor productivity and work efficiency and contribute much more to society. We must quickly correct the practice of spending too much time studying, taking examinations and earning a diploma simply for the sake of having a diploma while spending little time in practical, creative activities that make a contribution. It is even more necessary that the network of colleges and academies be restructured. This must be done by establishing a number of large, key colleges and distributing training facilities among all localities and areas of the country.

Learning combined with practical application, education combined with productive labor and the school closely linked to society--these are the correct education guidelines of our party. Labor must be incorporated in the curriculum because productive labor within the school plays an important role in providing the new man with a comprehensive education. Through productive labor--labor that involves technical skills--schools can quickly apply technical advances in production and everyday life while earning revenues to help improve the living standards of teachers and students and build the material base of the school.

Building and supporting the corps of teachers and education cadres are the most important task of the education sector today. We must continue to train teachers in those subjects in which there is a very serious shortage of training, such as Marxism-Leninism, aesthetics, foreign languages, technology, industrial subjects, physical education-sports and military affairs. We must mobilize scientific researchers, industrialists and skilled workers at agencies, enterprises and factories (including persons who have retired) to participate in instruction within schools. We must provide regular training to and raise the standards of teachers and select outstanding students who possess good personal qualities for the normal school sector for training as instructors of teachers. The party and state should adopt policies aimed at enhancing the social position of teachers and supporting the material and spiritual lives of teachers so that they are content with their occupation.

Investments in education within our country stand at a very low level and have declined under recent 5-year plans. Therefore, in the years ahead, the state should set an appropriate rate at which investments are made in education. In addition to the central budget, specific levels of contributions to education must be set for the localities, economic sectors, social organizations and the people. However, the education sector cannot wait for others to take action, cannot rely upon others. Instead, it must display a full sense of self-reliance and, through productive labor, through scientific research, meet an important portion of its needs on its own.

Planning has a direct influence upon the scale of development, the quality and the efficiency of education and training. Consequently, it must be improved and revamped so that planning is selective, not evenly spread among all education sectors. In addition, planning must be formulated from the basic level upward. Plans must meet the needs of the state sector, the collective economy and the household economy and be closely linked to the needs involved in the use and division of social labor.

Examinations, the evaluation of students and the selection and screening of students in the education and training process must be reformed and a specific mechanism must be put in place so that the collectives of teachers schools, social organizations, families and even students themselves can participate in this process of evaluation and selection. The policies on the awarding of certificates, diplomas and academic titles, especially on the college and post-graduate levels, must be improved, must have the objective of supporting production and serving society in practical ways, must reflect the true essence of the level of education achieved and must preclude any possibility of certificates, diplomas and titles being awarded to achieve false fame or awarded as a formality.

The expansion of international exchanges and cooperation within the field of education and training, especially with the Soviet Union, Laos, Cambodia and the other socialist countries, must also be intensified so that we can raise the education standards of our country and contribute the wealth of experience of our education system to other countries.

Under the light of our party's education line, education in our country is undergoing positive changes. In the years ahead, education will surely reach new stages of development, thereby making important contributions to the successful performance of the socio-economic tasks that will be set by the party's 6th Congress.

7809
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ORGANIZING THE EXISTING CORPS OF SCIENTIFIC AND TECHNICAL CADRES BETTER

Hanoi TAP CHI CONG SAN in Vietnamese No 4, Apr 86 pp 50-55

[Article by Le Quy An]

[Text] Over the past 30 years, in keeping with the party's line on education and training, we have built a relatively large corps of scientific and technical cadres, a corps that has made positive contributions to the cause of national liberation and the cause of building and defending the socialist fatherland. Political Bureau Resolution 37 observed: "We have trained a large corps of scientific-technical cadres and professional workers who possess good political qualities and whose specialized standards are gradually being raised."

Compared to the developing countries, the potentials that lie in our country's scientific and technical cadres are considerable. For example, the number of persons engaged in research and development per every 1 million persons of population was 3,871 in the developed countries and 307 in the developing countries in the 1970's and 349 in our country in 1983.

Ninety-nine percent of our scientific and technical cadres have been trained since the revolution. The majority of them have been tempered and challenged, have matured in the realities of production and combat and are exerting an increasingly clear impact in each field of society.

This corps has the ability to learn the new scientific-technical and industrial advances of the world, such as the advances in basic investigations, in the design and construction of civilian projects, in industry, communications and water conservancy, in machine manufacturing, assembly and repair, in agriculture, public health and so forth, in order to effectively apply them under the actual circumstances of our country.

The ability of this corps to organize and conduct scientific research has been markedly improved. To solve practical problems, about 1,500 projects have been conducted under 76 state programs in key technical advances over the past 5 years, together with thousands of scientific research projects conducted by the various sectors and localities, which have produced initial, very satisfactory results. We have helped to raise the output of grain and food products, the output of raw materials for industry and the output of goods for exportation by researching and putting into cultivation on hundreds of thousands of hectares new, high yield varieties of rice, short-term varieties of rice and varieties of rice that withstand acidity, sulfates and cold weather and by researching the allocation of crops and intensive cultivation and crop protection techniques. The results of scientific research in the field of industry have helped to increase our capacity to produce some building materials and certain types of equipment, machinery and spare parts, reduce the difficulties being experienced in production, save foreign currency and increase the variety of products available for domestic consumption and exportation. In the field of basic investigations, the application of geophysics, aerial surveying, space photography analysis and electronic computers has enabled us to achieve higher productivity, quality and efficiency in our measurements and survey work, in the exploration for minerals and has enabled us to discover many mineral deposits.

We have begun to organize domestic post-graduate cadre training. Some 46 colleges and research institutes have been given permission to provide this training. Nearly 400 cadres have successfully defended their doctoral or master of science thesis, practically all of which have involved subjects of practical significance to our country. This is also an important feature, one that marks the maturity of the corps of scientific and technical cadres.

However, the potentials of the corps of scientific and technical cadres are not being fully developed with the aim of meeting the needs of society. Some of the reasons for this lie with the corps itself and some stem from organization and management.

Generally speaking, scientific and technical cadres do not have a deep understanding of the characteristics and actual conditions of the country. Cadres in the natural and technical sciences have little knowledge of the social sciences and are confused when it comes to integrating and applying the knowledge of several different fields, are limited in terms of practical skills and industrial standards, etc. These factors have frequently affected the effort to discover and define in a full and accurate way the scientific problems that need to be researched, the selection of areas of key importance and the sound application of knowledge for the purpose of thoroughly resolving problems. In particular, limitations in terms of socio-economic knowledge, industrial standards and the ability to organize and manage have caused research results to be incomplete or made it difficult to apply these results in practice. (Of course, difficulties in applying technical advances are also due to many other causes). The foreign language skills of scientific and technical cadres are also not highly developed. An investigation has shown that as many as 47 percent of cadres do not know or have not yet used a foreign language.

The structure of this corps still lacks coordination in certain areas. The number of highly educated cadres is small. Only slightly less than 2 percent of the total number of scientific and technical cadres has a college education, consequently, there is a shortage of skilled persons to head collectives of scientists in researching important projects or conducting research to establish major scientific guidelines. From the standpoint of the fields represented by this corps, there is still some lack of balance. In some fields of social science and economic management, there is still only a small number of cadres.

The assignment and utilization of cadres are very important in developing the role played by this corps. According to an investigation conducted in 1982, the distribution of scientific and technical cadres by field of training between the material production sector and the non-material production sector is as follows:

	Natural Sciences	Technical Sciences	Medical and Pharmaceutical Science	Agricultural Science	Social Sciences
Total (%)	100	100	100	100	100
Material (%) production	5.3	74.8	16.2	52.8	20.3
Non-material (%) production	94.7	25.2	83.8	47.2	79.7

Distribution within the social sciences is such because these cadres primarily work in the field of education and training.

As a general average, about 30 percent of the total number of scientific and technical cadres works in the material production sector. This percentage is low and steps must be taken to raise it.

From the standpoint of distribution by territory, the corps of scientific and technical cadres is still largely concentrated on the central level and in the provinces and large municipalities. Meanwhile, only 14 percent of those cadres who have an academy education or higher are in the mountains and midlands of the North; 7.5 percent are the in the Mekong Delta and 2.9 percent in the Central Highlands. In particular, the deployment of scientific and technical cadres on the district level is still very thin and does not meet the requirements involved in building the district level. Of course, in the provinces and large municipalities, where there are many research, training and management agencies and large enterprises, the current distribution of scientific and technical cadres limits efforts to develop the strengths of each area in the overall socio-economic development of the country. Even the distribution of cadres between research institutes and colleges is uneven. Some 14 percent of institutes do not have a cadre who has received post-graduate training and 35 percent of the institutes have only 1 or 2 persons who have achieved this level of education. At some colleges, as many as 25 to 30 percent of instructors have a post-graduate education. Meanwhile, there are still some colleges at which no or only very few instructors have a post-graduate education.

The corps of scientific and technical cadres is the most important factor of scientific and technical potentials. Other factors include the system of research and development agencies, material-technical bases, scientific-technical information, financial investments and the science-technology management organization, which includes related policies. Scientific and technical potentials can be understood as the combination of these factors. They have an impact upon and stimulate, support or impede one another. Only through the balanced development and combined use of these factors can we achieve practical returns. Therefore, it is necessary to examine the development of the role played by the corps of scientific and technical cadres from the standpoint of the relationship of this corps to the other factors that make up scientific and technical potentials. At present, our country has more than 100 research institutes, not including dozens of design and planning institutes. Working at these institutes are more than 10,000 cadres who have a college education and nearly 1,000 cadres who have a post-graduate education. Some institutes that have been relatively well equipped and have a well coordinated corps of cadres have been playing a positive role in research and development. However, the majority of the institutes are still underdeveloped in terms of material-technical bases. They lack equipment or the equipment on hand is outmoded or unmatched. The system of institutes has grown very rapidly. Since 1975, the number of institutes has doubled. The state has been unable to make all the investments that should be made. In addition, there is duplication of function among some institutes. Due to their decentralized nature and the fact that their management mechanism is largely administrative and bureaucratic, the institutes have not made much of an impact. According to the results of a general investigation, only about 30 percent of the equipment of the institutes and colleges is being used relatively well; 52 percent is not in use because of a shortage of operators and a lack of material-technical support (in the form of materials, chemicals, components, spare parts, auxiliary equipment, electricity, water and so forth); 14 percent is not in stable use due to a lack of planning or no constant need for the equipment; and 4 percent of this equipment has no need to be used.

The level of our investments in science and technology have also been very low, even compared to the developing countries. Even if we use only one of UNESCO's standards, the average financial investment per cadre working in the field of research and development, we see that the average in the developing countries is 20,000 to 30,000 U.S. dollars per year. In the developed countries, this average can be 100,000 dollars or higher. In our country, in 1979, the average was 8,300 dong. In a number of countries, such as Mauretania, Equador, Canada, Denmark and so forth, the national income grew at an average annual rate 1.2 to 1.4 times higher than the average rate of increase in the investment in one research and development cadre during the 1970's. This is also a matter deserving of thought.

As regards the management mechanism, policies and systems, some improvements have been made in recent years. However, there are still many aspects of the management mechanism, policies and systems that impede efforts to develop the impact of the corps of scientific and technical cadres. One of the underlying causes is that the economic management mechanism based on bureaucratic centralism and state subsidies does not stimulate the dynamism of basic units nor does it attach importance to the close relationship among research-production-consumption. This has made laborers less inquisitive and creative and led to the development of a passive way of working, to "waiting for plans to be assigned," "waiting for funding and materials to be supplied" and "being happy with whatever is achieved." As a result, producers have little interest in the needs of consumers (including both consumers in production and in the market place) concerning the variety and quality of products, that is, they have no need to apply scientific and technical advances. There have even been times and places at which the further application of scientific-technical advances and the further improvement of product quality have only led to further losses. There have also been times and places at which the more equipment a unit retains, although does not use, the more its profits rise.

In summary, we currently have a rather large corps of scientific and technical cadres, cadres who, generally speaking, possess good political qualities and are rather highly educated. This corps is a precious asset of the country, is the result of a long process of training being provided in accordance with the party's education line. We are embarking on the 1986-1990 Five Year Plan, a plan that is of very important significance in meeting the socio-economic goals in the initial stage of the period of transition that were set by the 5th Party Congress. The resolution of the 9th Party Plenum points out that we must "more effectively organize and utilize scientific-technical potentials, beginning with the existing corps of scientific and technical cadres in the social, natural and technical sciences, and focus the efforts of this corps on tasks of primary importance with a view toward solving the pressing problems we face regarding production and living conditions, the improvement of management and national defense." To accomplish this, it is necessary to adopt training plans and necessary to assign and utilize cadres in ways that are rational with the aims of developing the skills of each person and the potentials of the entire corps.

To deploy the corps of cadres in a more rational manner, it is first of all necessary to examine and take determined steps to restructure the system of research institutes and colleges in keeping with the general policy on accelerating the division and redistribution of labor and restructuring and reorganizing production nationwide. We should study the feasibility of making those institutes that are in narrow, specialized fields directly subordinate to the federations of enterprises so that they more closely support production requirements and operate primarily on the basis of contracts signed with production units. In this way, the state can focus its investments better and supply more equipment to key institutes with a view toward performing the most important tasks and meeting the most pressing needs. Together with restructuring the network of colleges and institutes, it is necessary to re-examine the distribution of scientific and technical cadres and redistribute them in a way that is more rational, beginning by correcting the irrational aspects of the distribution of these cadres within each sector.

To resolve important and complex scientific and technical problems, it is necessary to eliminate the decentralization and fragmentation that currently exist by establishing well coordinated scientific collectives that represent several different fields; by implementing key programs of the state; by formulating our strategy for socio-economic development and the development of science and technology; by developing the economic-technical argumentation for projects of major importance to the national economy, etc. In recent years, facts have shown that the performance of such complex tasks demands that we bring together cadres from the natural sciences, technical sciences and social sciences and cadres working in the fields of research, production, management and training. One matter that is deserving of concern and plays a rather important role in insuring the effective operation of scientific collectives is that of the selection and appointment of project management cadres. These persons must have the ability to bring persons together, must be specialized themselves and possess sound organizational skills.

We are still poor in terms of machinery and equipment but the percentage of machine and equipment capacity in use is not high. We must make full use of existing material-technical bases and create additional working conditions for scientific and technical cadres by establishing procedures and policies as well as rational ceilings and prices designed to encourage agencies to cooperate in using one another's equipment in the most efficient manner possible. On the other hand, measures such as redistributing equipment, collecting depreciation funds and so forth, should be taken to encourage agencies to make full use of their equipment and gradually discontinue the practice of keeping machines of which they make little or no use.

It is also necessary to research and promulgate specific policies and regulations to encourage scientific and technical cadres to become deeply involved in production, to go to basic units and localities where there is a need for their services. We must provide both the incentive and the conditions needed for scientific and technical cadres to resolve difficulties being experienced in everyday life through their scientific labor so that these cadres become more closely associated with the efficiency of work and production. In this area, importance should be attached to the social returns from the work performed by these cadres and egalitarianism should be avoided.

In recent years, some scientific-technical cadres and workers have been sent to work overseas as exported labor. This practice should and can be further developed but the guidance we provide must be more effective and concerted and we must establish balance between working at home and working abroad, between immediate and long-range needs, between the selection of persons to go abroad and the utilization of persons returning from foreign countries, etc.

It is very important that scientific and technical cadres be evaluated on the basis of the returns from their scientific and technical work and the contributions they make to the socio-economic development and the defense of the country, not simply on the basis of the diplomas they hold. And, a system of fair awards and strict penalties must be enacted.

We have achieved many fine results in our training of cadres. However, to meet the needs of society, the structure of the system of schools and training, in general, must be more closely tied to the implementation of socio-economic development strategy and be compatible with the distribution of production forces as well as the investment capabilities of the state. On this basis, the goals, subject matter and modes of training should also be researched, augmented and revised to be made more complete. Flexible training methods must be employed so that training is closely linked to the utilization of cadres in order to support production, the standard of living and national defense well while helping to raise the intellectual standard of the people and satisfy their traditional desire to learn.

Together with restructuring the training system, there is a large need for additional on-going training in order to raise the overall standards of scientific and technical cadres and make it possible for them to promptly grasp the new achievements of science and technology at home and abroad and supplement their knowledge of other fields. Improving the quality of training and establishing a corps of highly skilled specialists must become a major policy of the state, a policy carried out by improving the quality of training from general school education upward, training and selecting cadres in the process of utilizing their skills, providing more domestic post-graduate training and increasing the effectiveness of scientific and technical cooperation with foreign countries.

Together with improving the management of science and technology along the lines of achieving higher socio-economic returns in a manner consistent with the characteristics of this work, it is necessary to boldly increase the investments made in science and technology.

Organizing the corps of scientific and technical cadres better and combining this corps with the corps of technical workers, with the science and technology associations and the movement among the masses to move forward on the science and technology front will contribute in a positive way to making the scientific-technological revolution truly become the key revolution among the three revolutions and science become "a force stimulating the progress of history, a force behind the revolution."

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SOME THOUGHTS ON SEA POLICY AS PART OF OUR COUNTRY'S ECONOMIC AND NATIONAL DEFENSE STRATEGY

Hanoi TAP CHI CONG SAN in Vietnamese No 4, Apr 86 pp 56-61, 55

[Article by Luu Van Loi]

[Text] Measuring more than 360 million square kilometers, that is, more than 70 percent of the earth's surface, and containing 1.3 trillion cubic kilometers of water, that is, more than 97 percent of all the water on earth, diverse and exceedingly rich forms of animal and plant life and inorganic natural resources, the reserves of which have yet to be fully determined, the seas have occupied an increasingly important position in the history of man's evolution. This is not to mention the effect that the seas have upon the weather and atmosphere.

Some 4,000 to 5,000 years ago, ancient man learned how to extract salt from sea water and began using sea routes to communicate with the offshore islands. But man was slower to explore and learn about the seas than he was to explore and learn about the continents. This is easily understood. Excluding the transoceanic voyages of the Vikings (Norway) that led to their landing in North America in the 12th century, the major discoveries that began in the 15th century, the most celebrated of which was the discovery of America by Christopher Columbus, were only attempts to discover new lands, even though they did provide mankind with much new information about geography, about the earth and the seas. Oceanography truly worthy of its name began with the 69,000 nautical mile journey around the world by the H.M.S. Challenger. During this voyage, which took three and one-half years, from 21 December 1872 to 24 May 1876, many different aspects of the seas, including the bottom of the seas, were examined. Of special importance is the fact that during this voyage, that is, more than 100 years ago, the Challenger obtained the first polymetallic nodules, which are of current interest to oceanographers as well as business circles in many countries.

In the space of the past 3 decades, with the discovery of petroleum and natural gas on the continental shelves and the discovery of areas rich in polymetallic nodules, research on the seas and oceans has developed rapidly. All developed countries have a national sea policy. The Academy of Sciences of the Soviet Union, the Soviet State Commission for Hydrometeorology and Environmental Control and the Maritime and Oceanography Department of the

Soviet Ministry of National Defense have conducted many ocean research projects to support the national economy and oceanography. The United States adopted the Law on the Development of Sea Resources and Technology in 1966 and then established a commission tasked with defining the specifics of the sea research policy of the United States. In 1967, France established a national center for ocean development. In August 1967, the Maltese Mission at the United Nations proposed the incorporation in the agenda of the General Assembly debate on "declarations and treaties related to only using the sea and ocean bottoms outside current limits of national jurisdiction for peaceful purposes and to developing these natural resources in the interest of mankind." This was essentially a proposal that the United Nations debate a new concept, namely, that the sea and ocean bottoms outside the limits of territorial jurisdiction of nations be considered the "common property of mankind." On 21 December 1968, the U.N. General Assembly decided to establish the "Commission on the Peaceful Use of the Sea and Ocean Bottoms Outside the Zones of National Jurisdiction." As a result of the new matters brought to light by this commission, the United Nations has decided to convene an international conference on admiralty law in Caracas in which more than 140 countries will participate.

In the 1960's and 1970's many countries participated in international programs to research the tropical region of the Atlantic Ocean, the Kuro-Shio current, the Caribbean Sea, the northeast and northwest regions of the Atlantic Ocean, many areas of the Pacific Ocean, the Indian Ocean, etc. Deserving of attention were the FAMOUS Program (French-American Mid-Oceanic Undersea Study) of France and the United States and the GATE Program (comprehensive experiments involving the Atlantic Ocean) carried out within the framework of a global atmospheric research program in which several thousand scientists and technicians from 72 countries participated. Oceanographic information was exchanged through international oceanographic data centers located in the Soviet Union and the United States.

Many projects have been conducted to explore for polymetallic nodules on the floor of the Pacific Ocean.

The modern era is not only the era of "man and space," but also the era, as called by many scientists, of "man and the oceans." The ocean issue has economic and military aspects, but also a political-legal aspect due to the disputes that have occurred, and continue to incur in increasing number, over rights in the oceans. In the age of huge strides forward by science and technology and the difficulties being experienced by the capitalist economy due to shortages of raw materials and fuels, the oceans have become a "new world" into which the trusts and multinational corporations have thrust their hands in search for new sources of raw materials and fuels that exceed the reserves on the continents or at least augment the sources that have begun to dry up on the continents.

On 10 December 1982, due to the importance of the seas and oceans from all three perspectives, representatives of 119 countries, despite U.S. position, signed a United Nations' Agreement on Admiralty Law at Montego Bay in Jamaica. Since then, about 20 other countries have signed this agreement. Although this agreement is not yet in effect, a Preparatory Commission has been established so that the agency with jurisdiction over the floor of the seas and the International Court of Admiralty Law can begin operating at an early date. Four countries, the Soviet Union, India, Japan and France, have each contributed 30 million dollars in order to be registered as "charter investors."

History shows us two paths that nations have followed in their formation and development. Some nations have followed the traditional continental path, spreading along the banks of a river into the delta of one or many other rivers and then steadily expanding their territory, sometimes through conquering surrounding countries to become continental empires. Such was the case, for example, of Egypt, the Sumerians, the Inca empire and the Chinese empire. Other nations, usually along the seacoast or on islands, have followed the path of the sea, steadily expanding the scope of their activities at sea by building their merchant fleets and developing trade with other countries over sea routes. Ancient Greece, which dominated the Mediterranean Sea and even defeated the Persian continental empire, built a brilliant civilization, the radiance of which still shines today. Even the small island of Crete in the Mediterranean Sea developed strongly as a result of knowing how to rely upon the sea and built a famous culture. The Phoenicians not only used the sea to develop trade with surrounding countries, but also crossed the sea to settle in North Africa, establishing powerful and prosperous Carthage, which controlled the majority of the Mediterranean Sea, impeded Rome and forced Cato, the Roman politician, to constantly call for the "destruction of Carthage!." Later, when maritime technology developed, many countries that have ocean waters, such as Portugal, Spain, Holland, Great Britain, France and so forth, became powerful and prosperous also as a result of taking full advantage in the early years of their history of the strengths of a country that has ocean waters. We denounce the colonial regimes that these countries subsequently established in the new lands, but we must research the policy of the sea they employed to achieve economic development and expand their influence.

In ancient times, our forefathers took salt and fish from the South China Sea and established Van Don as the first seaport for trade with foreign countries. In particular, the feudal state occupied the Paracels (that is, both the present day Paracel and Spratly Islands). Each year, it organized a Parcel fleet, which fished the waters around the Parcel Islands for 5 or 6 months. During the other months of the year, a Bac Hai fleet organized by the state harvested resources in other areas of the sea.

President Ho and the party have always reminded us: our country has "forests of gold and seas of silver." And, in the specific measures concerning the sea that they have set forth and put into effect, many positions and policies of our party and state have fully reflected this spirit.

The resolution of the 4th Party Congress set the general line on socialist construction and the line on building the socialist economy in the new stage of our country's revolution. Regarding the sea economy, the resolution identified many different areas of economic activity: fishing and the cultivation of marine products; rapidly increasing the size of ocean fishing forces; developing the salt industry, building ocean vessels and fishing ships; developing the ocean fleet, etc. With regard to zoning and planning production in order to bring about the development of all areas of the country, the resolution included the "sea." The congress also identified our two most precious assets: our labor and arable land (which includes the forests and the sea). The 5th Party Congress reaffirmed the line adopted at the 4th Congress and stressed the importance of the sea economy when defining our primary socio-economic tasks during the 5 years from 1981 to 1985 and during the balance of the 1980's.

On the basis of the general line and the specific positions taken by the party in each stage, ocean research and development agencies in our country, including the Oceanographic Research Institute and the Ministry of Marine Products, have conducted many oceanographic investigations, from the Gulf of Tonkin to the southern waters, and recorded important achievements.

The party's line as well as the research projects that have been conducted clearly illustrate our country's interest in the sea and the issues relating to it, both in the past as well as in the 1980's.

But what will our country's policy concerning the sea be after the 1980's? This is the crucial question that the scientists, economists and military authorities of our country must immediately begin to research so that a correct answer can soon be found, an answer that is befitting the importance of the sea and consistent with the circumstances and requirements of our country.

In my opinion, in order for us to address this question correctly, the following three factors should be taken into consideration:

1. Because the increasingly rapid advancement of science and technology is enabling man to unlock the secrets and discover the potentials of the oceans, high hopes can be placed on the oceans for solutions to a multitude of problems that far exceed the potentials of the continents to solve: increasing the sources of protein through fishing and the cultivation of marine products; extracting petroleum and natural gas on the continental shelf; mining polymetallic nodules on the ocean floor and minerals dissolved in sea water; and tapping the thermal energy of the sea. Facts confirm that these approaches are entirely practical.

2. On 12 May 1977, our government issued a declaration claiming an exclusive economic zone that extends for 200 nautical miles from the base line of the continental shelf as a natural extension of the continent to the outer edge of the continental rim and to a distance of 200 nautical miles at those places where the continental shelf is not 200 nautical miles wide. This is an extremely important declaration because it expands our country's national territorial waters and does so in exact accordance with international law. Thus, we not only have a continental Vietnam that measures some 320,000 square kilometers, but also an oceanic Vietnam measuring roughly 1 million square kilometers. Not only do we have the resources on the mainland, but also the biological and non-biological resources of our country's exclusive economic zone and continental shelf.

3. The United Nations' Agreement on the Law of the Sea signed in December 1982, which more than 130 countries, including our own, have signed or participated in to date, recognizes the zone that is the bottom of the sea and oceans outside the limits of national territorial waters and the resources of this zone as the "common property of mankind." Thus, all mankind, as represented by an international authority, possesses all the rights to the natural resources of the zone. The international authority can directly develop these resources through an enterprise or sign contracts with nations or other entities permitting them to explore for, extract and do business in the natural resources within the sea and ocean bottom zone. In the past, our country, as well as other countries, had the right to freely send ships and aircraft across the oceans. Now, with the new Agreement on the Law of the Sea, our country will be a member of the international authority and have the right to participate in the exploration for, extraction of and business in the natural resources on the ocean floor in accordance with the provisions of this agreement. Our country's natural resources, therefore, are not limited to the mainland, the exclusive economic zone or the continental shelf, but have been expanded to the sea and ocean bottom zone that lies outside national territorial waters.

Thus, when researching and formulating our country's policy concerning the sea, we have the right to understand this policy to be a policy on our country's territorial waters and continental shelf and on the oceans as well. This view must be fully reflected in all aspects of this policy, from scientific research to the exploration for, development of and commerce in the resources of the sea, from the training of skilled specialists to the preparation of our organization and investment capital, from the efforts we make on our own to cooperation with other parties.

When discussing the very rich resources and the importance of the sea in our country's economic and national defense strategies, everyone is in agreement. At the same time, everyone realizes that our "capabilities are not what we desire them to be." At present, our country is only in the initial stage of the period of transition to socialism and, although we are at peace, we must contend with the border war of encroachment and occupation and the wide-ranging war of sabotage being waged by the Beijing expansionists. Besides the advantages we have in our favor, we also face countless difficulties. Although the direction that our development is taking is clearly visible and although the years of our worst difficulties are behind us, it is also clear that we currently do not have enough to eat and are not generating sufficient revenues to cover our expenditures. Thus, which capabilities can our country's policy concerning the sea employ to extend our development beyond the seacoast and the waters that lie immediately off shore? This is not to mention the remote areas of the South China sea, not to mention the oceans!

However, life, with its strict laws, raises requirements that we cannot and should not avoid.

The sea and the continental shelf of our country hold large potentials. International law has given our country new and truly broad rights, including rights to the ocean floor. Those things that pertain to the sovereignty of the country are things that we must defend. And, we have no permission to turn our backs on that which is a legitimate interest of our country. With the discovery of petroleum in the sea off Vung Tau, the resources of our country's continental shelf are now clearly within our grasp. In the next few years, along with accelerating the development of the natural resources on the continent within our country, our economy can undergo rapid changes if we manage to extract a significant quantity of crude oil. With only one undersea oil well in operation at a site northeast of the Spratly Islands, the Philippines extracts enough petroleum to satisfy 10 percent of its annual need for liquid fuel. This means that the extraction of petroleum and natural gas in the South China Sea (in the future, attention must also be given to the Gulf of Tonkin) is not very far away.

Moreover, many countries are taking advantage of the difficult situation in which our country currently finds itself to vie for land and resources of ours. Beijing took occupation of the entire Paracel Islands and is allowing many corporations from the United States, France, Great Britain and other countries to actively explore for petroleum and gas there as well as in the Gulf of Tonkin. In the Spratly Islands, we have troops stationed on nine islands but Taiwan is occupying Ba Dinh, the largest of the islands, the Philippines is occupying eight islands (only since 1970) and Malaysia is occupying one small island in order to secure a foothold in a vain attempt to explore for and extract resources in the surrounding waters and on the sea floor. And, the Beijing dragon always has its mouth wide open, awaiting an opportunity to gobble up the entire Spratly chain while thrashing its tail about in the South China Sea. This situation shows us that even in the South China Sea and on the territory under the sovereignty of our country, the slower we are to act, the more we face the danger of losing more land, losing more of the continental shelf and the resources in and under the sea. Today, everyone sees that Beijing is looking for ways to expand into the sea, to gradually encroach upon the South China sea in a vain attempt to carry out plans for expansion and hegemony in Southeast Asia.

The rights and resources of our country on the continental shelf are, according to the new Agreement on the Law of the Sea, inviolable, whether we declare these rights or not, whether we develop these resources or not. However, such is not the case with regard to the rights we share to the "common property of mankind" in the oceans. All nations have the right to register a claim to explore for and extract polymetallic nodules in a specific area. Some nations have already registered claims and many others will continue to register claims until there are no longer any areas of economic importance left to be registered. Our forefathers used to say: "The slow buffalo gets the muddy water to drink." Today, in this issue that is the natural resources on the floor of the oceans, the "slow buffalo" will not even have "muddy water" to drink!

The developed countries have been actively preparing to explore and develop the ocean floor for many years. It is now the turn of the developing countries. In July 1981, India established the Department of Ocean Development (DOD), which is headed by a minister, is under the guidance of the Office of the Prime Minister and has the task of coordinating the activities of related agencies and formulating India's ocean policy. Thailand has Chulalongkorn College, which has been coordinating with Canada's Dalhousie

College in a large-scale project aimed at researching issues concerning the law of the sea in Southeast Asia since 1981 (the SEAPOL Program). In 1966, the Commission To Control the Exploration for Mineral Resources in the Waters Off Asia (CCOP) was established with the participation of 12 Asian countries.

The problem facing our country is:

--If we immediately address the issue of the sea's resources on a level befitting its importance, that is, as lying within the scope of our country's sovereignty and lawful rights, including our rights to the oceans, we will find that we currently lack the capabilities needed to take the steps that must be taken;

--But if we wait until we acquire the necessary capabilities, the minerals that we have the right to extract from the ocean floor will surely no longer be there.

This is a very difficult choice, one that comes at a time when we have other priorities. However, this is not an equation to which there is no solution.

In view of the pressing difficulties and tasks that confront us, carrying out development in the oceans might seem like something of a scientific fantasy for our country and even raising the issue of participating in the development of the floor of the seas and oceans might seem like an unrealistic pursuit, an illusion. However, in my opinion, of foremost importance is the need to determine whether it is true that the oceans and seas constitute an issue of very pressing importance from the perspective of the near term and long range future of our country, even the present, and whether our country can build and develop itself on both the continent and at sea at the same time. Once they realize that the issue must be addressed in this manner, the responsible agencies will research and propose positions and steps that are consistent with the present and future capabilities of our country.

Following the signing of the U.N. Agreement on the Law of the Sea in 1982, the Ministry of Foreign Affairs and the Border Department of the Council of Ministers proposed to the government that it establish a national commission on the sea. The Standing Committee of the Council of Ministers has established a special subcommittee to research the continental shelf. I suggest that we establish, the sooner the better, a national commission on the sea tasked with helping the government to formulate our country's sea policy.

Ravaged in World War II, Poland, which is only slightly larger than our country and has a population of a little more than 30 million, has built a developed ship building industry and has a merchant fleet of 304 ships with a total tonnage of 2,835,953 tons (1), even though it only has about 500 kilometers of coastline. Cuba, an island that is one-third as large as our country and has a population of 10 million, has built a merchant fleet of 114 ships with a total tonnage of 797,418 tons (2) over the past 25 years.

Vietnam faces the South China Sea and has a coastline that extends for more than 3,260 kilometers. Its exclusive economic zone and continental shelf are large. Of our 40 provinces and municipalities and the special zone, 20 provinces and municipalities and the special zone have a coastline. More than 90 of the country's 426 districts have a coastline. Thus, one-half of continental Vietnam has a coastline. Such a country must give the sea a proper position in its economic and national defense strategies. Such a country should, at the very least, do as much in this regard as countries whose stature is equal to or less than its own. The problem lies in adopting the correct policy and organizing its effective implementation in a manner consistent with each of the country's stages of development.

In the legend of Lac Long Quan and Au Co, one half of their children went up to the mountains, the other half down to the sea. Has it not come time to make this legend a reality reflecting the two directions being taken by our country in its development: the continent and the sea?

FOOTNOTES

1. SHIPPING STATISTICS, published in Bremen, No 1, 1985. Includes only ships of the 300 ton class or larger.

2. Ibid.

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AGRICULTURE--THE FRONT OF FOREMOST IMPORTANCE

Hanoi TAP CHI CONG SAN in Vietnamese No 4, Apr 86 pp 62-66

[Unattributed article]

[Text] The resolution of the 5th Party Congress pointed out: "We must focus our efforts on developing agriculture and consider agriculture the front of foremost importance in order to advance it one step closer to large-scale socialist production." This is the party's basic guideline, a guideline of strategic significance, for developing our country's agriculture.

In recent years, together with the difficulties common to the entire economy, agriculture has experienced more than a few difficulties of its own. Chief among these difficulties have been the continuous and serious natural disasters that have occurred; the shortage of technical materials for agriculture and the failure to deliver these materials on time; and the continued existence of the management mechanism characterized by bureaucratic centralism and state subsidies, which has impeded and hampered the development of production.

Under the light of the resolution of the 5th Party Congress and the resolutions of the Party Central Committee, our people have displayed patriotism and revolutionary heroism, displayed creativity in their labor, overcome difficulties and endeavored to achieve important agricultural production targets.

Generally speaking, agricultural production has made important strides forward over the past 5 years. We stopped the serious decline in agricultural production that occurred during the 2 years 1979 and 1980. Since 1981, a diversified agriculture has been developing nationwide. Many new factors have emerged and many advanced models symbolizing the vitality of our agriculture are continuing to advance.

From the standpoint of the results of agricultural production, mention must be made of the outstanding achievements recorded in grain production. As a result of properly applying intensive cultivation and multicropping techniques, changing the allocation of crops and seasonal schedule and, in particular, implementing the new contracting mechanism, grain output steadily rose from 14.5 million tons in 1980 to 15.1 million tons in 1981 and 18.2

million tons in 1985. Annual grain output in paddy equivalent rose from 13.35 million tons during the 5 years from 1976 to 1980 to 17.1 million tons during the 5 years from 1981 to 1985. Grain output has risen at the average annual rate of 5.05 percent (mainly as a result of increases in rice yields), which is a relatively high rate in the history of the development of agriculture in our country. Per capita grain output rose from 268 kilograms in 1980 to 309 kilograms in 1985 (with the population growing by 5.8 million between 1981 and 1985). The state mobilized 2 million tons of grain in 1980 and 3.9 million tons in 1984, as a result of which annual grain imports have significantly declined. The standard of living in the countryside is, generally speaking, stable and has been markedly improved at many places, except in areas heavily hit by natural disasters.

Together with accelerating the development of grain production, new levels of development have been reached from the standpoint of the amount of area under cultivation, the allocation of crops, the yield and the output of industrial crops and food crops. The livestock sector also took important strides forward during the past 5 years. The number of hogs increased by 26 percent between 1980 and 1985. The number of buffalo and cattle increased from 1.6 million and 2.3 million respectively in 1980 to 2.6 million and 2.58 million respectively in 1985. The decline in the output, quality and efficiency of livestock production was stopped. Livestock production is gradually developing in balance with crop production.

The advances that have been made in crop and livestock production during the past 5 years have been closely linked to the rapid introduction of scientific and technical advances in production, the strengthening of the material and technical bases of agriculture, the continual efforts made to strengthen and perfect socialist production relations within agriculture and, in particular, the virtual completion of the socialist transformation of agriculture in the provinces of Nam Bo. This virtual completion of the socialist transformation of agriculture in the provinces of Nam Bo is a significant achievement and also a very important factor in the development of agriculture over the past 5 years, a factor that has laid the groundwork for the development of agriculture in the years ahead.

The results that have been achieved on the agricultural front during the past 5 years are living expression of the spirit of creative labor, of the spirit of overcoming every difficulty and struggling to move ahead of the class of collective farmers under the leadership of the party. However, compared to the requirements and potentials of the country, the results described above are only initial results. We must make greater efforts to move ahead. We have committed shortcomings in our effort to implement the party's line on agricultural development, shortcomings that we must make every effort to correct. Most importantly, the implementation of the policy on "agriculture being the front of foremost importance" set forth by the 5th Congress is still marked by numerous shortcomings. Many problems of agriculture itself, such as those concerning the seasonal schedule, the allocation of crops, crop varieties, fertilizer, pesticides, water conservancy and so forth, and other problems directly related to agriculture, such as the price and procurement policies, the processing of agricultural products, transportation and so forth, have not been solved in an appropriate or timely manner. We have invested little capital in agriculture and that which we have invested has not been properly concentrated in key aspects of agriculture. Importance has not been attached to making well coordinated investments or investments in intensive development. Many projects have taken a long time to build and remain unfinished, thus causing a large amount of waste and very low efficiency of use.

The strengths of agriculture have not been developed. The potentials that lie in labor, arable land and the trade sector have not been organized or used well in order to develop a diversified agriculture, create a rational production structure and achieve high efficiency within each production unit, each district and each area nationwide. Grain and food production, although increased, still does not meet the consumer needs of the people. Difficulties with grain and food products persist. Industrial crop production does not meet the needs for raw materials for industry and exportation.

Generally speaking, although initial steps have been taken to dismantle the management mechanism characterized by bureaucratic centralism and state subsidies, it continues to be the main obstacle to the display of autonomy, dynamism and creativity by basic units. Many economic policies concerning agriculture are no longer suitable but have not been promptly revised. There are still many unnecessary intermediary organizations and levels that pose an inconvenience to producers.

Agricultural cooperativization has been virtually completed nationwide. However, the level of organization and management and the level of development of material-technical bases at cooperatives and production collectives are, generally speaking, still low. As a result, the superior nature of socialist production relations has not been made clearly apparent.

These limitations have many causes. The underlying causes are that our country's agriculture is advancing from small-scale production to large-scale, socialist production and bears the scars of a long war. The direct causes are that our level of organization and management and our awareness of agriculture as the "front of foremost importance" are low. In addition, there are the constraints imposed by bureaucratic centralism and state subsidies in management, which have caused the various levels and sectors to not give appropriate attention to agriculture.

The economy of our entire country continues to face many difficulties. These difficult circumstances demand that each of us correctly determine, in a truly objective fashion, what has been done and what remains to be done. Neither the tendency to only see difficulties, not achievements, nor the tendency to only see achievements, not difficulties, help us in any useful way to be determined to implement the party's guidelines for the development of agriculture in the years ahead.

In 1986, the first year of the 1986-1990 Five Year Plan, agriculture faces exceedingly large tasks, the most important of which is stepping up grain production. Together with rice production, we must strongly develop the production of such subsidiary food crops as corn, western potatoes, sweet potatoes, cassava and so forth in a manner closely tied to the processing of these crops and the gradual improvement of the diet. We must try to meet the target of 20 million tons of grain in 1986. As regards the development of industrial crop production in 1986, we must encourage the strong development of such annual industrial crops as peanuts, soybeans, tobacco, sugarcane, jute, mulberries and so forth. As regards perennial industrial crops, such as rubber, coffee, tea, coconuts, lacquer, T'ung trees, pineapple fiber and so forth, we must concentrate our investments in intensive cultivation on land now under cultivation while opening new land to cultivation. Under the guidelines "using short-term crops to support the production of long-term crops" and "the state and the people working together," we must closely combine state-operated units with collectives and households in order to rapidly increase the amount of area under cultivation, yields and output with the aim of meeting the requirements of industry and export activities. We must strongly develop livestock production in the state-operated, collective and household sectors to meet the needs for meat, milk, fertilizer and draft power. We must encourage the development of buffalo and cattle production and expand the trade in buffalo and cattle among all areas of the country. We must increase the size of hog herds and the weight of hogs and try to increase the number of hogs being raised to 13 million in 1986. We must strongly develop the raising of ducks for exportation at those places where the necessary conditions exist.

To implement the guidelines for the development of agriculture in 1986, practical and effective measures must be taken.

Building material-technical bases and rapidly introducing scientific and technical advances in agriculture: as mentioned above, the victory of the socialist transformation of agriculture nationwide in 1985 laid the groundwork for building material-technical bases and rapidly introducing scientific and technical advances in agriculture. The lesson of recent years in developing production forces in a way that is not balanced with the newly established production relations within agriculture reminds us that we must further increase our investments in agriculture. This is a very important point, one stressed by Lenin: agriculture cannot develop on its own. Therefore, to develop agriculture, to make "agriculture the front of foremost importance," the key is to increase our capital investments, that is, increase the amount of assistance provided by the state of the working class to the class of collective farmers. To begin with, an appropriate amount of investment capital must be earmarked for the construction of material-technical bases and the rapid introduction of scientific and technical advances in agriculture. The main thrust of our efforts should be investments in the construction of water conservancy systems, the improvement and enlargement of projects and the improvement and construction of fields to support intensive cultivation, multicropping and the expansion of the amount of area under cultivation. We must immediately expedite the completion of plant and livestock breeding, testing and production facilities (from the central to the local levels, the crop protection system, the veterinary network and so forth with a view toward fully meeting the needs for seed and breeding stock, maintaining safety in production, combating diseases and pests and achieving the highest possible yields and output. It is necessary to re-examine the percentage of overall investment capital invested in agriculture. At the same time, we must rearrange the structure of the investments made in the various sectors within agriculture so that rational investments are made in those fields and factors that determine the yield and output of crops and livestock. We must make concerted, complete and well coordinated investments in those crops and species of livestock that are of leading importance while giving our attention to developing a diversified agriculture. We must provide a full supply of fertilizer, pesticides...and insure that they are supplied on time in accordance with the plan for the growing season, considering this to also be a direct factor in raising the yield and output of crops. Appropriately increasing our investments in material-technical bases for agriculture is very necessary because if we provide a full and timely supply of material and technical factors (most importantly fertilizer and pesticides) for the land currently being farmed, we can increase grain output by millions of tons. This is a realistic potential.

In conjunction with strengthening the material-technical bases of agriculture, we must gradually revamp the agricultural management mechanism. This is a matter of special importance in insuring the successful implementation of agricultural development plans in the years ahead. Foremost among the guidelines for revamping the agricultural management mechanism is revising economic policies, revising the policies on investments, credit, prices, product mobilization, supply and so forth with a view toward insuring that agriculture receives a full and timely supply of technical materials for production and providing incentive for everyone to work hard. Revamping the agricultural management mechanism demands that we clearly establish the position of the basic units (state farms, cooperatives) as economic, production and business organizations that possess financial autonomy and have the status of an independent individual under the law. On the basis of the centralized, unified plan of the state, the basic units must be responsible for earning a profit in their production and business and satisfying the interests of the state, the collective and the individual laborer while taking the initiative in developing the various sources of goods and supplies in order to support their production and business and increase their income.

Because agricultural production is heavily dependent upon nature and because different economic segments currently exist (the primary one being the collective economy), the agricultural planning mechanism must take two forms: direct planning by the state of the state-operated sector (production and services) and indirect planning of the collective and private sectors through the impact of and the guidance provided by the state-operated economy. The state must formulate a plan for guiding the activities of the collective and private sectors by means of such economic policies as the procurement policy, the price policy, the credit policy and so forth in order to provide incentive for and regulate production in line with the general direction being taken under the state plan. Trade and commerce between basic agricultural units and other economic units must be carried out on the basis of the principles of equality and true negotiations and under economic contracts.

We must gradually implement the economic accounting system to insure that businesses operate at a profit, implement the principle of distribution in accordance with labor, improve product contracts and expand their use, pay piecework wages, improve the wage and bonus policies...with the aim of providing incentive for laborers to work hard.

The division of labor and responsibilities between the central and local levels, between the sectors and economic organizations must be based on the principle of establishing economic-technical sectors. At the same time, this division of labor and responsibilities must develop the potentials and tap the creativity of localities and basic units, insure centralized and unified guidance by the central level, eliminate decentralization and fragmentation and prevent competition, especially within the field of exports. Economic exchange between the cities and the countryside, between production areas and consumer areas must be expanded (within the scope permitted). The activities of state-operated commerce must be oriented toward effectively supporting agricultural production by engaging in fair trade and discontinuing the practice of procuring products on the basis of long-term credit, which is an inconvenience to producers. Products must be circulated and marketed well. The rural markets must be organized well. Cooperatives that have surplus products on hand must be permitted to directly sell them to marketing units in the cities and industrial zones if state-operated commerce is unable to handle these products.

Many factors are involved in revamping the agricultural management mechanism. However, the important factor of decisive significance is to restructure the agricultural management apparatus and corps of management cadres. In 1986, along with restructuring the general management apparatus of the state, the agricultural management apparatus must also be restructured. We must eliminate unnecessary intermediary organizations and echelons; select competent cadres who possess good qualities to strengthen the agricultural management apparatus; and dismiss cadres who are unable to complete their tasks under the new mechanism. We must strengthen and streamline the agricultural management apparatus from the central to the provincial and district levels with the aims of increasing the ability of this apparatus to serve as the staff of the various party committee echelons and levels of administration, increasing their responsibility in this area and organizing the successful implementation of agricultural development plans. We must restructure and make rational use of the corps of agricultural scientific and management cadres, send competent technical and management cadres down to the localities and basic units (primarily to cooperatives) and closely link their activities to the results of production. The new management mechanism demands that we improve the skills and raise the organizational, managerial, professional and specialized standards of the corps of agricultural cadres. Therefore, the provinces, districts and basic units must plan the training of agricultural cadres for their units. At present, the training of cadres for basic units is the weakest and also the most crucial aspect of agriculture. In order to broaden the authority of basic units, we must have a corps of cadres who are fully capable of learning the knowledge of organization and management, of their profession and special field required by the new management mechanism. In the implementation of agricultural product contracts in recent years, besides the good model units that have emerged, there are still more than a few cooperatives that are not doing a good job. This is due to many reasons, one of which is the fact that the standards of organization and management and the professional and specialized standards of cooperative cadres do not meet the requirement of the new contracting mechanism. To further intensify the training of cadres, it is necessary to assign responsibilities and authority to the provinces and districts and clearly define the contents of the training program and the form of training for each type cadre. We must accelerate the training of cadres, especially the key cadres of cooperatives.

Developing agriculture is the common undertaking of the entire party and all the people. Consequently, there must be close coordination among all levels and sectors and each of their activities must be directed toward supporting agriculture. The contribution made by each level and sector must be measured on the basis of the results achieved in supporting agriculture.

The agricultural development tasks and targets for 1986 and subsequent years are very large. However, these targets can surely be met if we work hard. We must display dynamism and creativity, adopt a new way of thinking and working and accelerate the development of agriculture with a view toward recording many larger achievements.

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SOME THOUGHTS ON STRENGTHENING THE CORPS OF AGRICULTURAL COOPERATIVE LEADERSHIP AND MANAGEMENT CADRES

Hanoi TAP CHI CONG SAN in Vietnamese No 4, Apr 86 pp 67-71, 81

[Article by Nguyen Khac Bo]

[Text] Each new stage in the revolution raises new requirements concerning cadre work, which includes agricultural cooperative leadership and management cadres.

As we know, when agricultural cooperativization was being carried out, many different kinds of cadres, "movement activists," demobilized troops, active cooperative members, outstanding Youth Union members and so forth, were assigned the responsibilities of leading and managing cooperatives. During the early years, when we had no corps of systematically trained cadres, assigning these types of cadres as leaders and managers of cooperatives was necessary. In actuality, these cadres played a good role during the first years of the transformation and development of agriculture. Many of them displayed a high spirit of learning while working, as a result of which they quickly grew to meet requirements and become rather dependable cooperative leadership and management cadres. These persons are still an important force within the corps of leadership and management cadres of collective agricultural units. They have much experience in organizing and managing production and business.

During the past 26 years, besides these cadres, we have quickly trained for cooperatives more than 50,000 cadres who have a middle level education and a number of cadres who have a college education in economics, technical fields and agriculture. Through their practical activities, many persons have become leadership or management cadres. Today, 10 percent of cooperative heads and 11 percent of party chapter and party organization secretaries nationwide have a middle level or college education; 12.7 percent of production unit chiefs have a middle or elementary level education in economics, a technical field or agriculture. Practically all cooperative leadership and management cadres have been trained at party schools, agricultural schools and management schools (on the central or provincial and district levels) or in short-term training classes at basic units. As a result, they acquired some of the knowledge and experience needed to lead and manage the transformation and the building of agriculture and the new countryside in accordance with the party's line.

However, in the face of the new requirements of economic development, especially the development of the agricultural economy, the current corps of cooperative leadership and management cadres has exhibited rather serious shortcomings and is, generally speaking, not fully qualified for its tasks.

In the North, more than 20 years after the completion of agricultural cooperativization, all cooperatives have been expanded to village-sized cooperatives. Each has an average of a few hundred hectares of farmland, hundreds of laborers and millions of dong in capital and manages many complex sectors and trades that have placed increasingly high requirements on cooperative leaders and managers. However, the standards of leadership and management cadres have been raised slowly, their job skills are limited and the majority of cadres still rely mainly upon old management experience in their work.

In the South, the selection and training of cooperative leadership and management cadres have focused mainly on the immediate task of organizing and building the cooperativization movement and have not truly focused on the specifics of economic management.

At present, more than 90 percent of agricultural cooperative leadership and management cadres have not received formal or systematic training in economics, technical fields or their profession, especially the science of organizing and managing agriculture. More than 82 percent of party chapter and party organization secretaries and the heads of cooperatives and 95 percent of production unit chiefs only have a basic general school education. More than one-fourth of these persons only have a level I education.

The low level of education and the poorly developed specialized skills of management cadres combined with bureaucratic centralism and state subsidies in management and the many difficulties being encountered in production and everyday life have created the conditions for negative phenomena to emerge and develop within cooperatives. The good qualities of some cooperative leadership and management cadres have eroded.

The causes of this situation are both objective and subjective:

1. The various levels and sectors do not have a full understanding of what is involved in and have not given appropriate attention to building the corps of agricultural cooperative leadership and management cadres nor have they taken positive measures to strengthen and streamline this corps. We have long failed to see the full extent of the harm caused by the practice of providing only general guidance, by doing as one sees fit, by decentralization and localism in economic activities. Steps have not been taken to promptly and fully provide the training required under planning.

2. The training of cooperative leadership and management cadres has not been closely linked to supporting the tasks of cooperatives in each stage. The

results of production and business under the new management mechanism within agriculture has not been established as the standards for the selection and assignment of cadres. Some cooperative leadership and management cadres are incompetent and their good qualities have eroded but they have not been promptly re-evaluated and replaced.

3. Within agriculture, the management mechanism based on bureaucratic centralism and state subsidies is being dismantled slowly. The systems and policies that pertain to cooperative leadership and management cadres have been amended slowly. Therefore, we have failed to fully tap the capabilities of cadres and have even created the conditions for negligence, bureaucracy and laziness to develop, which have led to steps being taken in violation of principles and to many negative phenomena arising within cooperatives.

At present, we are focusing our efforts on developing agricultural production and consider agriculture to be the front of foremost importance. It is exceedingly important that we consolidate and perfect socialist production relations and build the new management mechanism within agriculture. Therefore, we must quickly build a corps of agricultural cooperative leadership and management cadres who are fully capable of leading and managing production and business in accordance with the new management mechanism in order to steadily advance agriculture from small-scale production to large-scale, socialist production.

Our general guidelines are to restructure the existing corps of cooperative leadership and management cadres in a way that is rational, provide them with additional training and select and train reserve leadership and management cadres for cooperatives on the basis of a well coordinated corps structure, one that includes party chapter and party organization secretaries, cooperative heads, production unit chiefs, planning cadres, chief accountants and so forth. These cadres must be persons who are capable of leading, managing and organizing the production and business of the cooperative in accordance with the new management mechanism. At the same time, they must be assigned to positions in such a way that they supplement one another and become a balanced and strong "collective manager." They must be politically dependable, be well versed in the management profession and be stable but bold, creative and responsive so that they can "independently calculate the potentials that lie in labor, arable land and the trade sector and formulate plans for production, business and the distribution and marketing of products; implement economic accounting and socialist business practices in exact accordance with the policies of the state; fulfill tax obligations and fully execute economic contracts with the state and other business organizations."(1)

The standards of cooperative leadership and management cadres must be defined in detail for each position held by these cadres. However, their foremost standard is that they be loyal to the party, to socialism. Cooperative leadership and management cadres must adhere to the lines and views of the party and the directives and resolutions of the upper level; must possess the ability to organize implementation in order to turn the party's line and directives of the upper level into reality, must possess the spirit of struggling against inertia and conservatism; must possess knowledge and experience in cooperative management; must possess the spirit of being responsible to the cooperative and eagerly involve themselves in agricultural production. This corps of cadres must consist of persons who possess good qualities, are honest and faithful and have the trust of the mass of cooperative members.

At present, some members of the corps of cooperative leadership and management cadres have been challenged in practice, been forged in many areas and are highly experienced, zealous and responsible. However, there are not many such cadres and some of them have not been assigned to the proper position. In keeping with the spirit of the resolution of the 7th Plenum of the 5th Party Central Committee, it is necessary to make better use of existing cadres while quickly discovering, utilizing and promoting cadres who have been trained and forged, whose ways of thinking and working are compatible with the new management mechanism and take determined steps to replace leadership and management cadres who are conservative, are incompetent and whose personal qualities are poor.

Over the years, we have trained tens of thousands of cadres who have a middle level or college education, including hundreds of college educated cadres and thousands of cadres who have a middle level education employed by the state, to work at cooperatives. Many of these persons have proven themselves to be outstanding in their field of work, their ability to organize and manage production and business has been challenged and they can be immediately selected to supplement the corps of cooperative leadership and management cadres.

At a time when we lack many of the agricultural cooperative leadership and management cadres we need at basic units, there are tens of thousands of cadres who guide agriculture and agricultural economic and technical cadres (500 Masters of Science, 34,500 engineers and 114,000 middle level cadres of various types) deployed in a cumbersome organization on the upper levels, especially on the provincial and central levels. If we transfer a number of these cadres to agricultural cooperatives, we can also select among them competent cadres who are experienced in organizing and managing production and business to participate in leading and managing cooperatives. Of primary importance is the need to adopt appropriate policies concerning them.

In conjunction with strengthening the existing corps of cadres, we must actively recruit and train their successors and reserve cadres for the corps of cooperative leaders and managers. At present, the average cooperative has from 150 to 200 basic general school and middle school graduates working on the basic level and about 35 percent of young labor is made up of rather highly educated demobilized or discharged troops. These persons constitute a very good pool from which we can select and train cooperative leadership and management cadres. We must fully tap the capabilities of this pool. At the same time, we must ask the upper level to send persons down to be forged and trained in order to prepare a corps of future cooperative leaders and managers, thereby insuring succession and continuity and meeting the rising demands of agricultural development.

Here, it is of basic importance that we have a thorough understanding of the party's views in cadre work. Our party always requires that cooperative leadership and management cadres be selected and assigned on the basis of standards, not simply on the basis of the diploma they hold or their age. A determined effort must be made to correct the narrowminded and conservative attitudes that impede the discovery and utilization of new cadres. Cadres must be assigned to jobs on the basis of the work jobs entail. We must not, because of patronage, a desire to maintain some internal relationship or a desire to conform with village or hamlet sentiment, assign cadres to jobs who lack the necessary personal qualities and job skills.

In actuality, complete persons are very rare. Cadres who are skilled, talented, assertive and bold are usually persons who are "individuals," who exhibit certain weaknesses in their style, attitudes and relationship and who are very easily the victims of prejudice caused by old outlooks. Therefore, only by being bold and very precise in their evaluation of persons and making concessions for those shortcomings that are not fundamental in nature can we select and assign cadres in a manner truly based on their skills.

To find cadres who meet the new requirements, we must adopt a new outlook and new methods. We must make the need to eliminate the slowness to take action in organizing the performance of the tasks of cooperatives and the need to bring the organization and management of production and business in line with the new requirements, the bases upon which we assign cooperative leadership and management cadres, select reserve cadres and boldly promote and create the conditions for them to exert an impact. The quality of cadres is the factor that determines success in cooperative leadership and management. Therefore, in addition to educating and training themselves through their work, cooperative leadership and management cadres must also receive training in schools and classes, especially training in basic knowledge of Marxism-Leninism, the lines and policies of the party, economic management, the methods of organizing production and labor and leadership principles and experience, especially the methods and art of leadership. Of course, appropriate requirements must be established for the various types of cooperative and production unit cadres as well as the specific job titles of cadres.

To quickly perform the above jobs well, attention must be given to solving the following several key problems:

First, we must consolidate the cooperative cadre management system, including the departments and sectors from the central to the local levels, especially on the district and village levels. It is necessary to quickly augment this system with cadres who possess new qualities and skills compatible with the shift to the new management mechanism in order to insure that cadres are assessed, evaluated, selected, assigned, utilized and managed in an objective and scientific manner.

Secondly, besides reassigning cooperative leadership and management cadres in a manner consistent with immediate tasks, we must immediately expedite the formulation and implementation of cadre planning so that we can take the initiative in building the corps of cooperative leadership and management cadres for the next 5 to 10 years and the long-range future.

Cooperative leadership and management cadres do not appear overnight but must undergo a very detailed process of selection, challenges and cultivation. Therefore, it is possible to calculate how many economic, technical and other cadres need be trained for the state sector (at present, there are hundreds of graduates who do not have a job and thousands of cadres still deployed within a cumbersome organization on the upper levels) and then shift to training economic, technical, management and other cadres for the agricultural cooperatives. Each year, the cooperatives can select sons and daughters of cooperative members to be sent to study trades for which there is a need in production and business in accordance with a unified plan that extends from the basic level to the central level. Upon the completion of their studies, they would return to their cooperatives to work but not be part of the state staff. But even if we immediately begin to take this approach, it will be nearly 10 years before we can select college educated cooperative leadership and management cadres who possess solid practical experience (5 years of study and about 5 years on the job).

Thirdly, we must restructure and make effective use of the existing system of schools and classes. At present, our country has 10 colleges, 2 college departments and 67 vocational middle schools training economic and technical cadres for the agricultural, forestry, fishing and water conservancy sectors. The agricultural sector itself has 4 colleges and 2 college departments, 2 academies, 11 middle schools on the central level and 32 local middle schools. If we include technical worker schools and district agricultural schools, there are 102 schools. The state has only established two cooperative management schools on the central level. Every province and district has a party school and the country as a whole has three regional party schools.

We must choose subject matter and training programs and select persons for schools according to the function and task of each school and the standards of each type job title.

For example, the colleges, cooperative management schools on the central level and the party schools on the central level should train cooperative leadership and management cadres who graduate with a college education. The schools on the provincial level should train cadres who graduate with a middle school education. The schools on the district level should train cadres who graduate with an elementary level education.

The programs of instruction used by schools and classes should be revised so that they are consistent with the new economic management mechanism. Old curricula based on the management mechanism characterized by bureaucratic centralism and state subsidies are no longer suitable. New curricula must be written that are based on the new management mechanism, which itself is based on economic accounting, socialist business practices and greater autonomy for economic units.

The forms of training must be diverse and flexible. The formal, long-term training system should primarily be used to train reserve cadres and young cadres now holding positions who are able to attend school. The correspondence and on-the-job training systems should mainly be used to train cadres who currently hold positions but are unable to partake in formal training.

Training subject matter must be immediately augmented with knowledge concerning the methods of leadership, the work methods of the leader and the knowledge necessary for cadre organizational work, ideological work, inspections and mass agitation. Current curricula contain very little or no information concerning these matters.

Fourthly, we must soon study and solve a number of problems concerning the policies that pertain to agricultural cooperative leadership and management cadres (including cadres of the state assigned to cooperatives) in order to insure fair distribution in accordance with the results of the labor of each person and create a new social attitude of equal respect for each of these cadres who makes a good contribution, regardless of their job, position or field. Importance must be attached to providing both material and psychological incentives based on a system of clearly defined responsibilities with fair awards and strict penalties and the adoption of policies that strongly encourage persons to undertake tasks in areas of leading importance and at places where difficulties and hardships are being experienced, to study hard and be close to their work. We must soon research a retirement policy for cooperative leadership and management cadres.

Fifthly, we must soon conduct a comprehensive review of the work of building the corps of cooperative leadership and management cadres, from the time that the agricultural cooperativization movement was launched to the present day. On this basis and on the basis of the requirements of agricultural development in the years ahead, we must propose to the party and state a plan for building the corps of cadres of the collective agricultural economic sector up until the year 2000.

FOOTNOTES

1. Party Secretariat Directive Number 67/CT-TU dated 26 June 1985 on improving economic management and perfecting the product contracts with groups of laborers and individual laborers within agricultural cooperatives and production collectives.

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SCIENCE AND TECHNOLOGY IN OUR COUNTRY IN RECENT YEARS

Hanoi TAP CHI CONG SAN in Vietnamese No 4, Apr 86 pp 72-75

[Article by Dang Huu]

[Text] In the new stage of the country's development, when concretizing the line on economic construction, the 5th Party Congress once again confirmed the key role played by the scientific-technological revolution as part of the three revolutions in our country and considered the acceleration of scientific and technical activities--which is a very important aspect of this revolution--to be one of the 10 major policies for achieving the four general socio-economic goals of the initial stage. The congress set high requirements regarding science and technology (the natural sciences, the technical sciences and the social sciences) and defined the task of those who work in the fields of science and technology as becoming the masters of those fields of science and technology that are needed by the country: "We must grow and become the masters of that which the country needs."

In keeping with the resolution of the congress, the corps of scientific and technical cadres along with large numbers of laboring people throughout the country have, under the direct leadership of the agencies of the party and administration on the various levels, displayed a high spirit of overcoming the difficulties they face, applied themselves to the pressing socio-economic tasks of the sectors, levels and localities and gradually tied scientific and technical activities to production and everyday life, with encouraging results.

The salient feature during the stage from 1981 to 1985 was the application of the goal-oriented program approach in management. More than 70 state level programs in key scientific-technical advances, more than 250 sector level programs and over 150 provincial and municipal level programs brought together large scientific and technical forces to solve pressing problems of the economy, such as providing a full supply of grain and food to the people; creating additional sources of raw materials, fuel and building materials from domestic natural resources for industry, especially the consumer goods industry; reconditioning and manufacturing many parts, pieces of equipment and machines, including small and medium-size synchronized production lines for many sectors of the national economy; increasing the utilization of production capacity; reducing material, energy and labor consumption ceilings;

stabilizing and gradually improving the quality of products and goods; improving and refining the management mechanism...

During the past few years, many issues of importance in the social sciences, such as "the mechanism the party leads, the state manages and the people exercise ownership," "district level management" and so forth have also been the subjects of key research programs.

The state level programs alone have drawn the participation of more than 15,000 key scientific and technical cadres from nearly 400 research, instructional and production facilities under 40 ministries and general departments. In this way, we have partially corrected the decentralization and fragmentation in research efforts that have existed for many years. At the same time, we have created the conditions needed to concentrate our resources (financial resources, cadres, materials, equipment and so forth) on the key problems of the various levels. As a result of undertaking the key programs that we have, more than 700 research projects have been evaluated and accepted, more than 300 of which we have been able to immediately apply in production. On the average, more than 1,000 technical advances have been applied on varying scales in each of the past 5 years. The economic returns from the application of scientific achievements and technical advances in production and everyday life during the past 5 years are estimated to exceed 10 billion dong. The application of a number of technical advances in agriculture, fishing and forestry alone has increased crop and livestock yields in some areas 1.5 to 2 times compared to 1980 and made important contributions to the growth of grain output by roughly 1 million tons per year.

Along with the application of the goal-oriented program approach to management, scientific and technical activities in the localities have also reached a new stage of development. In keeping with the spirit of Political Bureau Resolution 37 on the science and technology policy, many leadership agencies of the party and administration on the provincial and municipal level have issued separate resolutions on scientific and technical work, increased the level of investment in science and streamlined and strengthened the provincial science and technology committees that serve as the staff of the local party committee echelon and administration. With the assistance and support of the central level, many provinces and municipalities have assembled scientific and technical forces within the locality to conduct basic investigations in support of zoning and planning the distribution of production forces within their territory; apply scientific achievements and technical advances in resolving the difficulties being encountered by the locality in production and everyday life; intensify the management of weights-measures, standards and product quality; and launch a widespread movement to make innovations and rationalize production.

The period from 1981 to 1985 was also marked by a new stage of development in the research activities at colleges, academies and middle schools. By combining the large potentials that lie in their cadres and equipment with training, many schools have, in addition to participating in the key programs of the state, taken the initiative in expanding their direct relations with production and business units on both the central and local levels through research, development and technology transfer contracts or the performance of technical services. At some colleges, total revenues from contracts have reached tens of millions of dong. Some schools have established subordinate laboratories, centers and specialized research institutes in the special fields in which they are strong to develop research results.

In keeping with the resolution of the 5th Party Congress, steering agencies and many scientific collectives have consciously combined the natural and technical sciences with the social sciences in the earlier stages of their work, that is, when conducting general basic investigations, establishing research tasks and requirements and selecting the agencies and individuals to participate in research, as well as when evaluating and certifying research results. As a result, many achievements in biology and industrial biology, in mathematics and cybernetics, in psychology and sociology, in the science of organization and management and so forth have been applied to achieve initial, successful solutions to many complex problems raised by production and everyday life.

At many projects of the country, such as the Da River and Tri An Hydroelectric Power Plants, the Pha Lai Thermoelectric Power Plant, the Thang Long Bridge, the Chuong Duong Bridge, the Hoang Thach Cement Plant, the Bim Son Cement Plant and so forth, Vietnamese technical cadres and workers, standing shoulder to shoulder with foreign specialists, have introduced many technical solutions that are of scientific value and of major significance from the standpoint of economic returns to overcome difficulties encountered in construction and the operation of equipment and industrial systems that are, by world standards, modern.

Significant changes have also occurred in technical management. The rate at which standards have been established and revised has been twice as high as during the period from 1976 to 1980. The quality control system has been strengthened from the central level to the localities and basic units. The system set up to calibrate and repair weighing and measuring devices has been augmented. These efforts have played a practical role in stopping the decline in the quality of products and goods that has occurred in recent years.

Together with focusing efforts on immediate problems, an important portion of our potentials has been devoted to programs involving general basic investigations of several important regions, such as the Central Highlands, the Northwest, the Mekong Delta, and the coastal region of Thuan Hai, and general investigations of a number of provinces and municipalities in order to lay the groundwork for research on the distribution of production forces. Under many programs in key scientific and technical advances and within the framework of subcommittees for the research of scientific and technical strategy, thousands of scientific, technical, management and professional cadres have been mobilized to participate in researching long-term forecasts and strategy for scientific-technical and socio-economic development. The results that have been achieved have helped to prepare the scientific argumentation for establishing the targets of and the steps to be taken by the country in the coming stage and the scientific argumentation for the 1986-1990 plan.

However, besides the important achievements cited above and if strictly compared to the role that science and technology must play, the result that have been achieved are not commensurate with existing potentials and still fall far short of meeting the large requirements faced in developing production, stabilizing and improving the standard of living, improving and refining our economic management and strengthening the security and national defense systems.

Due to many different reasons, but primarily because the economic management mechanism has not truly attached importance to the need to achieve higher productivity, quality and efficiency, we have neither demanded nor opened the way for the creation and application of scientific and technical achievements. For these same reasons, many technical advances, including some that hold the promise of large socio-economic returns, have been applied slowly and on a very limited scale. Many advanced model units and many innovations and technological improvements of value have not been widely copied or applied. We have not found places to apply many research projects that have been concluded. As a result, scientific and technical activities have not, generally speaking, brought about strong changes in the production sectors.

In recent years, the legal standards on technical management have been amended and further refined. However, the lack of strict compliance with the standards and the failure to harshly prosecute violations of technical legislation have adversely affected the effort to stabilize and improve product quality, especially the quality of essential consumer goods and export goods. The lack of strict compliance with technical standards and codes in production, circulation and distribution and the lax management of raw material, fuel and building material consumption ceilings have created many more difficulties for the economy.

The serious lack of balance between the existing force of cadres and the minimum conditions needed to perform scientific and technical work, such as materials, chemicals, laboratory equipment, spare parts and components, buildings, workshops, especially trial production facilities, scientific-technical publications, printing facilities and so forth, is being corrected slowly. This continues to pose a major obstacle to insuring the quality of projects and carrying out projects at the planned rate. In addition, the slowness with which we have strengthened scientific research agencies and corrected the decentralization, fragmentation and duplication of tasks under which these agencies operate have impeded the enormous ability to contribute that the corps of scientific and technical cadres--this priceless asset of the country--possesses.

The system of specialized scientific and technical management agencies has been virtually completed from the central to the local and basic levels. However, we have been slow to strengthen this system and the working coordination between these agencies and the plan management agencies, finance agencies and so forth on the same level is not close; therefore, they are not playing the role they should be playing. The failure to clearly define the responsibilities of scientific and technical management agencies in providing certification of compliance with technical and industrial standards for major investment projects, especially imported projects, is having negative effects upon our efforts to increase the returns from investments and form the economic structure of each sector and locality as well as the entire national economy.

The shortcomings and limitations presented above have, to some extend, prevented scientific and technical forces from making all the contributions they could have made to the performance of the socio-economic tasks set by the 5th Party Congress. In the years ahead, in the remaining years of the initial stage, science and technology face increasingly large and pressing requirements. On the basis of reviewing the successes and failures of recent years, all sectors and levels and the entire corps of scientific and technical cadres must find effective ways to correct these shortcomings and weaknesses. To fully implement the resolutions of the party, especially the resolutions of the recent 8th and 9th Plenums of the Party Central Committee, we must continue to refine the management mechanism, especially with regard to a well coordinated mechanism for introducing technical advances in production, gradually do away with the administrative, state subsidies approach to management, boldly shift to economic accounting where possible, increase the autonomy of basic units... with the aim of mobilizing, to the highest degree possible, the enormous potentials of the corps of scientific and technical laborers so that they participate, in close coordination with the mass of laboring people, in the successful performance of the new tasks we face in the years from 1986 to 1990.

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THE FIRST STEP IN A NEW CHANGE IN LITERATURE AND ART

Hanoi TAP CHI CONG SAN in Vietnamese No 4, Apr 86 pp 76-81

[Article by Ha Xuan Truong]

[Text] The reunified Vietnamese fatherland has brought a new vigor to the literature and art of the entire country. In particular, since the Congress of the Associations of Writers and Artists in late 1983, the corps of writers and artists has begun to be restructured, strengths and weaknesses have been raised for analysis and evaluation, specific guidelines have been formulated and the literary and art activities of the entire country have become increasingly vibrant, have thrived.

The salient feature of literature and art in 1985 was the efforts made to move closer to the realities of society, the realities of the changes replete with complex contradictions that are taking place in the initial stage of the period of transition to socialism nationwide. Through hundreds of books, films and plays, through thousands of poems, songs, fine art works and photographs, one can see that the new life is becoming part of works of literature and art, see that literature and art are also beginning to delve deeply into the new life and are, from many different perspectives, recognizing, evaluating and creating. Creative potentials have tapped into the new, deep pools of vitality of the new society. From the works of literature and art produced in 1985 and the preceding few years, there has slowly emerged the image of man and the times in which he lives, even though that which has emerged is not comprehensive, not complete and the same degree of success has not been achieved in all the different genre of literature and art.

It can be said that the singlemost distinctive feature of literature and art in the recent past has been the fact that they have addressed many questions of social ethics, addressed many issues that trouble everyone. Such is necessitated by the current situation, a situation in which the struggle between socialism and capitalism is a bitter struggle and society is highly polarized: on the one side are the progressive and heroic forces who are fighting day and night to defend the fatherland, are working to build projects, from small and medium-scale projects to projects of the century, to change the way things are done and transform society along progressive lines; on the other side are backward and degenerate elements who stubbornly cling to old concepts of life, who fall further and further behind in the face of the temptations of a lifestyle of decadence, individualism and selfishness, confused social values and eroded ethical standards. Against such a background, the fact that the appearance of such works as "Man's Time," "The Shooting Star," "Leaf-shedding Season in the Orchard," "Passage from Youth," "In the Name of Justice," "The Left Hand Turn Along the Trail" and others, has drawn the attention of public opinion is easily understood. At the same time, the appearance of these works is also an indication of the desire on the part of writers and artists to participate in solving the pressing problems of society. Persons engaged in labor, production and construction--the dominant and most important features of the country's life today--are continuing to be portrayed in a more direct fashion in literary and art works. Through such works as "Extremely Hard Labor," "Next Season's Seed," "Facing the Sea"(a film), "White Paper," "Da River Dialogue," "I and We," "Summer at Sea" and so forth, literature and art have squarely faced the crucial issues of the life of work and production on the economic front. Although the degree of success achieved by each work, by each genre differs and although, from the standpoint of their quality, ideological importance, power to persuade and artistic value, they are not, generally speaking, comprehensive, refined or of a stature befitting the greatness of real life, the works of this type have been greeted by enthusiastic public response and some have drawn unprecedented attention.

The cause of defending the fatherland--a repository of themes in which our country's literature and art has achieved much success--continues to be a focus of attention, especially as the subject of epic poems, as many writers seek to summarize the 30 years of the nation's great wars of resistance. Some multi-volume novels by Nam Ha, Huu Mai, Phan Tu, Nguyen Quang Sang, Hoang Van Bon, Nguyen Trong Oanh and others that have been or are being published and some works of the stage and cinema dealing with the war have appeared before the public and achieved a certain amount of success. Serious attempts to present the image of Uncle Ho, the soul of the revolution and wars of resistance, on the stage, such as the play "History and the Eye Witness," have produced gratifying results.

Actually, it is impossible for the activities of literature and art to draw the attention of the public as strongly as we have seen in recent years if writers and artists move closer to life but fail to undergo changes in their artistic thinking and expression. The art public of today has higher cultural standards, a higher consciousness of being the masters and is striving to achieve a level of appreciation of literary and art works marked by an attitude of analyzing and evaluating these works, by new thinking. From social phenomena to the fates awaiting man, from the general features of collectives to an overview of society through the portrayal of specific individuals, from the development of characters who stand as bright examples for everyone to the portrayal of characters whose inner struggle is profound and whose personalities are unique, our literature and art of today are calling out to the reader and viewer to think, analyze and evaluate in order to better themselves. The spirited and sometimes sharp debates that have taken place concerning some works of literature, theatrical art and cinematography are evidence that art is directly participating in life, that characters and their creators are engaged in a dialogue with life, with those with whom they live in society. Many authors have boldly portrayed their characters living, acting and thinking in the fight that rages today; have dared to express virtues that are now only forming while also presenting the unsettled, changing life of today; have dared to take the initiative and explain new issues with the intent of contributing to the development of society instead of wavering, waiting and hesitating. This is perhaps one of the reasons behind the many disputes that have occurred recently. And this is something to be welcomed for our country's literature and art. An ancient proverb states: the truth is born of dispute.

In recent years, there have appeared in all genre of art more than a few works dealing with good subjects and proper themes that have raised positive issues but not captured the attention of the public because they have not reflected a significant change in thinking or a significant change in the form of expression as required by new demands. Recognizing this, many writers and artists have begun to search in new directions within their works in order to change and improve the language of art and draw the public to their works. Young writers and artists, always enthusiastic, have begun to record achievements in this regard. There have also been many efforts to change and improve the methods of expression among older writers and artists, whose creative style is set, is established.

Dramatic works have recorded noteworthy accomplishments from the standpoint of broadening the genre and the styles of production and performance. On the traditional stage, popular opera has begun to overcome its difficulties and develop in the direction of raising itself to a higher pinnacle or broadening its language of expression to suit the attitudes and sentiments of modern audiences. Classical opera has reaffirmed its existence by examining modern subjects. A number of reform operas that achieved success in recent theatrical festivals reflect efforts to go beyond this genre's habitual approach of seeking to captivate audiences through unusual, contrived plots full of surprises, beyond feelings of pessimism and melancholy and divorce itself from those aspects of the art that are alien to our country in order to bring itself closer to life and reach higher standards of art. "Watchtower" folk musicals and Nghe Tinh folk music are enriching themselves in terms of both their music and the way it is performed. For the first time ever, the "Du Ke" art of the Khmer of Nam Bo with its unique features of traditional folk theater has been improved and is being performed as professional theater.

The cinematography sector has also made efforts to develop upon its broad mass character through experiments in expanding the subjects of film, employing a broader variety of genre and broadening the way that reality is arranged and expressed to many different time frames and locations. Within the scope of its distinctive language, attempts have been made to increase the effectiveness of audio-visual imagery by producing more color films, raising the standards of filmmaking, artistic design and film music, improving acting performances and introducing diversity in the appearance of actors.

In the field of music, numerous successful songs have come along that beat in rhythm with the pulse of life today while incorporating and enriching the lyrics and melodies of revolutionary and resistance war songs. Some pieces of theater music, dance music, symphonic music... have been marked by a certain amount of success in composing, developing upon and enhancing traditional national music. Traditional national folk music and serious-classical music have been given appropriate attention and gradually assumed a worthy position. Wholesome light music has taken the direction of combining a style that is modern with national and folk tradition, thus reaching higher aesthetic and ideological standards. This is a type of music that appeals to youths very much.

The fine arts have also taken strides toward a style of expression characterized by depth. The montage--with its ability to embrace many different events, times and images--is being experimented with by artists of many generations, especially young artists, in order to keep pace with the demands of social life. From the perspective of the materials being used, oil paintings, a dynamic force in the language of the fine arts, reflect an effort to achieve a rich blend of the national and the modern. Lacquer paintings remain faithful to their precious traditions and the unique language of this medium. The field of sculpture, which is also experiencing uncertainty from the standpoint of concepts and methods of expression, is trying to overcome these uncertainties and move in the directions that have been confirmed as the directions it should take. Monument projects have been given attention in order to satisfy a new aesthetic need of society. The use of traditional printing and engraving techniques is being expanded through the introduction of world graphic arts technology.

Within the context of a socio-economic situation marked by many difficulties, the changes that have been taking place in literature and art over the past several years, especially in 1985, reflect very large efforts on the part of the persons engaged in literary and art activities nationwide. However, these changes are only initial changes. Generally speaking, the majority of works go no further than recreating some aspects of reality and fail to analyze and interpret reality. They do not focus on the essential issues in the initial stage of the period of transition to socialism in terms of the philosophical and ideological depth the situation requires nor in terms of revolutionary zeal. In general, literature and art only reflect, not answer, the questions life is raising. This is the basic drawback of our literature and art today. In the creative effort, subject and theme are important. However, from the perspective of the quality of a creative work, the important questions are: what does the subject address, to which degree is the theme explored and developed and what by way of things new and beneficial to the soul, the intelligence and the feelings of the public does the work provide.

In the repository of subjects reflecting life today, critical works that address ethical, psychological and social aspects of life have recently found a strong response and encouragement among the public because these works satisfy the public's desire to expose the rather widespread negative phenomena that exist today and, in some cases, even stand as an insolent challenge to public opinion. However, these attempts to break new ground usually lack accurate and deep analysis of the root causes of these phenomena with the aim of generating confidence and awakening everyone to think and join the struggle to transform society. For this reason, critical works have begun to duplicate themes and take a superficial, simplistic approach.

There still are not many works that build, in a convincing way, the image of new persons in work and production, in transformation and construction, persons of whom the recent Congress of Heroes and Emulation Warriors showed there are many prototypical examples in life today. The force that draws us to these examples is their desire to make positive contributions to the progress of society. This desire transcends every detail of life, every action and the meaning of everything and becomes the decisive force in the development of man's unique and diverse nature in the process of his challenging and struggling with social forces. From a look at how the new man has been portrayed in labor and production, we see that there have been, in recent years, works of high value that have won widespread acclaim and also been the subjects of intense debates, debates that have made a positive impact upon society. Generally speaking, however, this field of subjects has not been given full attention by writers and critics or by many of the persons who are engaged in party ideological work. These initial successes belong mainly to a number of young writers and artists who are dynamic and bold, even though they still exhibit certain weaknesses in terms of their life experience, world view and philosophy of life as well as artistic expression. Mention must also be made of a situation worthy of our concern, namely, indulgence and haste in creative efforts and shunning reality for the sake of experimentation and the achievement of self-awareness. Some phenomena associated with nostalgia, apathy and the attitude that literature is an activity in and of itself, an activity divorced from revolutionary struggle, have also emerged. "Commercial art" is a burning problem, one that holds the potential of causing very much harm to our literature and art not only now, but in the future as well and is the cause of many negative phenomena in our literary and art activities.

Changes in contributions in the fields of theory and criticism have been part of the overall change that has taken place in literature and art. The new efforts that have been made in these fields have been reflected in many articles boldly supporting that which is genuinely new and analyzing things that are good while also analyzing things that have not been achieved and are not good. A number of research projects and many productive symposiums conducted last year created a wholesome, rather intense atmosphere for criticism and drew the attention of professional circles as well as the masses. However, from the standpoint of the literature and art front as a whole, the inherent weaknesses of criticism remain: the failure to keep pace with the development of creative efforts and the avoidance of certain subjects. At a time when writers and artists--especially in the fields of literature, theater and cinematography--have created for themselves a significant public, a public identified with the new era, the field of criticism lacks the sensitivity to keep abreast of the state of public opinion in order to develop upon the fine and good aspects of works, point out the inadequacies and unsuccessful efforts of writers and artists, rectify mistakes and correct the misunderstandings that develop among a considerable portion of the public. On the other hand, the art public is making the inevitable change from the habits of art appreciation associated with war time, with images that serve to set an example and largely represented social forces, to the enjoyment of images that serve to give an overview of society through unique personalities and rich, diverse inner feelings, thus causing audiences to think and cultivating in them the ability to improve themselves. In the face of this situation, theorists and critics have still not conducted significant activities to raise the level of the public's appreciation of art while struggling against commonplace concepts, "forced marriages" and convenient deductive reasoning. The lack of well coordinated development between theory-criticism and creative works is having a significant influence upon efforts to achieve a higher combined strength so that literature and art can achieve even higher results in their task of directly participating in solving the exceedingly complex problems of the period of transition to socialism in our country.

The strength of socialist literature and art can only be expressed when literature and art directly participate in building the new life and join the people in the struggle for the socialist raison d'etre, when the heart of literature and art beats in rhythm with the pulse of life in the very complex process of the advance of the revolution, a process replete with contradictions. Literary and art criticism can only serve its function of directing and guiding when it actively participates in the process of artistic creativity by means of keen observations and analyses, balanced and profound evaluations and by being close to the masses. The popular nature of the new literature and art not only originates in and serves the people, but must also stimulate the creativity of the masses and create an aware public with high cultural and aesthetic standards.

Our people deserve to enjoy the best and most beautiful works of art of the nation and mankind. Our country's writers and artists possess the capabilities and potentials they need to continue the development of our country's literature and art into an important part of socialist literature and art. The new aspects of literature and art that emerged in 1985 are the results of a process and the weaknesses and shortcomings of literature and art are due in large measure to fundamental changes in the requirements of the new stage of the revolution. In the new steps that they take in the years ahead as part of the change they are undergoing, literature and art will surely encounter many more difficulties because the revolution will be developing in depth and the struggle between the two paths will be even more bitter. The revolutionary struggle not only demands a high consensus among writers and artists concerning the goals of the party and people and militant solidarity among the different generations of writers and artists. It also demands that our very flesh and blood be bound to life, to the tens of millions of laboring people who tenaciously and heroically struggle in the fields, at forestry sites and at sea as well as at construction sites and industrial enterprises, to the soldiers who are defending the frontier of the fatherland and fulfilling our international obligation day and night. It demands that we constantly cultivate broad knowledge and our desire to always improve ourselves. And, now more than ever before, the revolution, life itself, demands that we constantly raise the consciousness of citizens and the party consciousness of the artist-militants on this glorious but turbulent front: the literature and art front.

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AN EXAMPLE OF CREATIVITY AND PERSEVERANCE IN THE EFFORT TO OVERCOME DIFFICULTIES

Hanoi TAP CHI CONG SAN in Vietnamese No 4, Apr 86 pp 82-85

[Article by Le Tam Huong]

[Text] As the first enterprise in our country's pharmaceutical industry, an enterprise that has been assigned weighty tasks, Central Pharmaceutical Enterprise Number 2, despite shortages and difficulties, has excellently fulfilled the targets assigned it under state plans and been ready to accept more difficult, larger tasks for 25 consecutive years. The enterprise has not only recorded achievements very deserving of pride in the form of drug products for the people and exportation that have earned a position of prestige on the market, in the form of hundreds of millions of dong in gross output and contributions to the state budget and so forth, but also possesses enormous potentials in the material and technical bases, especially the human resources, created by the enterprise. The enterprise is worthy of its selection by our state for commendation as an heroic labor unit.

Established in 1961, Central Pharmaceutical Enterprise Number 2 at first had only 315 cadres and workers, 25 percent of whom were women. The enterprise's production area is cramped. Its machinery is old. For the past several years, the supply of electricity and water has been unstable. Raw materials and supplies have become increasingly scarce. Imports have been difficult to obtain and it has not been easy to make domestic procurements, either. There has also been a serious shortage of adjuvants. The production tasks assigned to the enterprise have been many times larger than its rated capacity. In the face of this situation, the enterprise has always taken the initiative and looked for ways to overcome one difficulty after another in order to complete its plan and maintain its position as the sector's leading enterprise.

In 1983 and 1984, the enterprise accounted for one-fifth of the value of the total output of the entire pharmaceutical sector. Products produced from domestic pharmaceuticals have risen from only 10 percent of the value of the enterprise's total output under the very difficult circumstances of previous years to 30 percent today, thus exceeding the target assigned to the central enterprises by the Ministry of Public Health. Meeting this one target alone has not been easy: active ingredients can only be extracted from domestic pharmaceuticals at the rate of 1 percent, sometimes only at the rate of one/tenth of one percent or even as low as one/one hundredth of a percent. These active ingredients must then be purified to meet drug standards and made into hundreds of millions of pills and vials of medicine, which greatly reduces the amount of foreign currency that must be spent to purchase pharmaceuticals from foreign countries. The enterprise's contributions to the state budget have grown with each passing year: from 26 million dong in 1981 to 89 million dong in 1982, 93.3 million dong in 1983 and 116 million dong in 1984. Product quality has been maintained and continuously exceeded the standards set by the Ministry of Public Health. The enterprise has been awarded a certificate of commendation by the State Science and Technology Commission. Its products have gained increasing prestige on the market: Ka Vet, Se Da, Queen Bee's Milk tablets, vitamin supplement pills, Malamin, Sen Vong and Vinca. The production of all exported products, such as Ba Dinh ointment, Sao Vang ointment, Thang Long oil, Denticite toothpaste and the recently introduced pollen tablets has exceeded plan targets. The enterprise has also displayed a high spirit of socialist cooperation with Laos and Cambodia, with the Soviet Union and Hungary. More than 10 years ago, the enterprise designed and assembled for Houa Phan Province in Laos a pharmaceutical enterprise complete with all the necessary production components. Today, Central Pharmaceutical Enterprise Number 2 continues to regularly supply materials to our friends and train cadres for them.

To support its production and build a unit that is solid and strong in every respect, the enterprise has built many movements, the impact of which has been marked. The emulation movement is well established. One team has been a socialist labor team for 14 consecutive years. In the industrial safety and sanitation movement, the enterprise has been recognized as an outstanding unit by the Vietnam Confederation of Trade Unions and awarded a certificate of commendation by the State Science and Technology Commission for its work in the drug quality control movement. The literature and art movement have also developed well. The enterprise's supplementary education school has continuously been a progressive, outstanding school. One of the enterprises self-defense battalions has earned the "Determined To Win" title for 12 years in a row. The enterprise has also been recognized as an outstanding unit in the innovations movement and the movement to maintain political security. Its party organization has been recognized as a solid and strong party organization.

The enterprise has been able to record achievements deserving of pride throughout the past 25 years mainly because it has always displayed high, steadfast determination to be self-reliant. Most importantly, it has searched for and relied upon domestic sources of pharmaceuticals, produces drugs for use in both the prevention and treatment of illness and has combined Eastern medicine with Western medicine, thus helping to build an independent and autonomous public health sector for Vietnam and overcoming the enterprise's largest difficulty. Because its production area is cramped, the enterprise has organized the use of its space efficiently. Its machinery being old, the enterprise has enacted regulations on its use and established periodic inspection and maintenance procedures. It has also manufactured some spare parts on its own. With materials in short supply and imports difficult to obtain, specialists of the enterprise have scurried like shuttles throughout the South and the North and up to the border provinces in search of materials to pick or buy. Each time it has been necessary to replace a pharmaceutical or adjuvant, they have promptly conducted research and amended technical standards to conform with the actual production situation. Despite the lack of appropriate policies and regulations on the research and production of drugs from domestic pharmaceuticals and although the implements and equipment necessary for research and production are in short supply and not matched, no one from the director of the enterprise to its scientific cadres and technical workers has any fear of difficulties. To the contrary, everyone is enthusiastic, humbly studies and will go for days without eating or sleeping just to put a product into production.

Secondly, the enterprise has intensified the innovations movement and its scientific research.

The pharmaceutical industry is a production sector that demands scientific and technical precision and absolute quality control. The slightest mistake can cause grave harm to human life. It also demands a deep commitment to research, to developing drugs that are more efficacious and have a wider use. The director of the enterprise and its leadership have given particular attention to this aspect of their work and consider it to be their most important responsibility. As a result, scientific research and the application of research results have become part of standard procedure in the offices, sections and plants of the enterprise. The enterprise's corps of scientific and technical cadres now includes more than 100 persons who have a college or post-graduate education. During the past 5 years, 74 scientific research projects have been put into production and yielded economic returns. The bee products project resulted in the development of products that have contributed nearly 30 million dong (old money) to the value of the enterprise's total output over the past 5 years. These products account for 60 percent of the value of the products processed from domestic pharmaceuticals by the enterprise each year. The enterprise has made codeine from morphine extracted from poppies, refined vitamin K in its broken down form into a drug ingredient, manufactured whole blood products, extracted vin-bla-stin [Vietnamese phonetics] for the treatment of cancer from the active ingredient of Vinca rosea, etc. To be able to produce these pharmaceuticals, the enterprise designed and built, using its own capital, a drug extraction production line, manufactured a circulating vacuum autoclave with a capacity of 100 liters per hour to isolate pharmaceuticals and manufactured a fine grade pharmaceutical milling machine with a capacity of 120 kilograms per hour. Many persons have set examples of dedication and high enthusiasm in research work. Some have gone to the trouble of accompanying mobile bee keeping units to study how to extract each product from bees for analysis and determine which should be put into production and which provide an abundant source of raw material. During the years of the resistance against the United States, groups of cadres travelled to Hoang Lien Son to research the extraction of essential cinnamon oil from the various parts of the cinnamon plant. In recent years, essential cinnamon oil has been extracted in Thanh Hoa and Ha Tuyen Provinces. They have not only concerned themselves with investigating pharmaceutical materials, setting up extractors and researching extraction sites and the preservation of essential oils, a strategic product, but have also performed manual labor, have carried water and built ovens. Cadres of the enterprise have travelled all the way to Muong Iong, Sa Pa and

Lai Chau to find heavily fruited poppy plants that contain a high percentage of active ingredient. During vacations at Sam Son, they have eagerly gone in search of Vinca rosea plants that contain a high percentage of active ingredient. In the production of drugs, they have displayed a high spirit of responsibility and given attention to every minor detail, from the printing of labels for vials of injectible medicine to the lettering on pills in order to avoid mistakes. Even in this work the enterprise has made an innovation by manufacturing mortars with lettering for making pills. In recent years, the enterprise has made 3,231 innovations, saving the state more than 3 million dong in old money. It has accepted three state-level projects. The director is a member of the 64.01 Project Board, a state level project in the creation of sources of raw materials for use in the production of drugs.

Thirdly, it has formulated and implemented training plans and raised the standards of cadres and workers. Because of the highly specialized scientific and technical requirements involved in insuring the development of its production, the enterprise has attached very much importance to providing training and raising the standards of cadres and workers. Although busy with many other jobs, the various directors of the enterprise have all served as the principal of the enterprise's supplementary education school. This school completed the popularization of level I education in 1970, the popularization of level II education in 1979 and the popularization of level III education in 1983 among all the persons within the stipulated age groups throughout the enterprise. Working at the enterprise requires that a person constantly study, study his special field and even foreign languages. The director has learned four foreign languages (English, French, Russian and Czechoslovakian) in order to be able to research additional foreign publications and raise his standards to meet the requirements of his increasingly difficult task. The deputy directors also know from two to four foreign languages. Scientific and technical cadres have eagerly learned foreign languages (Russian, English and French). A number of cadres know four foreign languages (not including those that they learned while overseas, such as Hungarian, Rumanian, Bulgarian, Czechoslovakian and Chinese). One after the other, all cadres who have a college education have been sent for advanced training at home and abroad. Under the enterprise's planning, all technical workers must complete an elementary or middle-level class in technology. The key cadres of the enterprise, in addition to learning more about their special field and learning foreign languages, must complete a middle level class in politics.

This "cultural key" has helped the enterprise to acquire the conditions needed to train a corps of successor cadres who have completed their tasks in every period. During the past 25 years, the enterprise has trained for itself and other places 116 leadership cadres.

Fourthly, it has constantly concerned itself with the living conditions of cadres, manual workers and civil servants.

The task of the enterprise has steadily grown. From the standpoint of living conditions, cadres, manual workers and civil servants are experiencing many difficulties, particularly female cadres and workers, whose health is poor and whose children are small. Some women are both mothers and grandmothers and shouldering the work of the country and the chores of the home is very hard.

Women make up 80 percent of the total number of persons at the enterprise. Many women hold key leadership positions in production, in the party organization, the Trade Union and enterprise leadership board. These women understand the living conditions of cadres, manual workers and civil servants very well. The enterprise has taken many different approaches and measures to improve living conditions. Worthy of attention are the following: the mechanization of dining halls and reguarly maintaining mid-shift meals and a differential for hazardous work, despite the high costs involved; the introduction of annual and quarterly health examinations for persons working at hazardous places; the use of Eastern and Western medicine to develop preventive health care and medical treatment; the administration of acupuncture at the enterprise; the maintenance of good child care centers and kindergartens; the implementation of product contracts and the recycling of discarded materials and defective products. This last effort alone has saved millions of dong in old money each year: 1.073 million dong in 1983 and 1.4 million dong in 1984.

With the achievements it has recorded in the past 25 years, its splendid tradition of struggle, its solid and strong political and ideological base and its determination to retain its distinguished title as an heroic labor unit, vigorously develop the combined strength of the entire enterprise, display a higher spirit of self-reliance, overcome difficulties, take the initiative and be creative, Central Pharmaceutical Enterprise Number 2 will surely complete its larger tasks under the 1986 plan and the 1986-1990 Five Year Plan well.

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STRUGGLING FOR A NEW INTERNATIONAL ORDER OF INFORMATION

Hanoi TAP CHI CONG SAN in Vietnamese No 4, Apr 86 pp 86-91

[Article by Hoang Thinh]

[Text] Never before has mankind possessed such enormous capabilities to resolve difficulties that have been faced since the dawn of history, such as the problems of health, food, shelter, natural disasters and his own security.

The development of information has helped man to discover many new horizons and familiarize himself with the cultures of other nations.

Our society is becoming an information society. The information revolution has had profound influences on how society is organized. Due to the remarkable achievements of science and technology, which have brought us modern communication tools, no region of the world is isolated or alone. And, news concerning all aspects of life, even if it is made at remote places on earth, reaches everyone in an instant. Our planet has become small and is gradually becoming what many persons have begun to call a global village.

The birth of the microprocessor and the small computer can be considered an explosion in information! Compact computers have become a tool for collecting, distributing and processing information. They can store a very large volume of information, the equivalent of 470,000 books, each 400 pages thick. Today, some countries are using computers and laser beams to set newspaper type and lay out newspapers.

In the 1970's, a new concept emerged and enriched the world political vocabulary: a new international order of information.

Due to the strong development of communications, the relations and exchanges among the nations and countries of the world today are stronger than ever before in every field, thus creating the conditions for man's life to become more beautiful with each day that passes.

However, there are currently serious imbalances on an international scope in the production and transmission of news and programs. The developing countries account for 70 percent of the world's population but possess only a small percentage of the means of communication: 22 percent of the book titles published, 17 percent of the press materials circulated, 9 percent of the news print, 27 percent of the radio broadcasting stations, 18 percent of the radio receivers, 5 percent of the television stations and 12 percent of the television receivers.

One of the obstacles faced by the developing countries in achieving free access to information is the very high price of new telecommunication technologies. The United States and the Western industrial countries monopolize the means of communication and usually impede the transfer of information technology to the developing countries. And, because they monopolize the means of information, the capitalist imperialist countries also monopolize the transmission of news. The four Western news agencies alone (UPI, AP, Reuters and AFP) transmit slightly less than 90 percent of world's news each day, no more than 20 percent of which is news on the developing countries. The news produced by Western news sources usually does not reflect the truth and frequently distorts and blurs the image or creates an unattractive, incorrect image of the developing countries.

Therefore, the developing countries strenuously oppose this one-way flow of information, calling it imperialist information, and have been fighting for the establishment of a new, freer, more balanced and more effective international order of information.

At first, the imperialist countries strongly opposed the view that a new international order of information need be established.

However, in the late 1970's, due to changes in the comparison of forces in the world, the imperialists were forced to recognize the need to change the structure of information in the world.

In 1978, as a result of a steadfast struggle by and close coordination between the socialist countries and the developing countries, the General Council of the United Nations' Educational, Scientific and Cultural Organization (UNESCO), the 20th session, adopted a progressive document: "The declaration of basic principles related to contributions by the mass media to the strengthening of peace and mutual understanding in the world, to the development of human rights and the struggle against racism and apartheid as well as the provocation of war."

Prior to then, in 1976, at the 19th session of the UNESCO General Council, the overwhelming majority of member countries agreed to establish a new international order of information.

Gradually, however, the imperialist countries found a way to change the name of this order, their aims being to lessen the class and anti-imperialist nature of the name first chosen and steer this struggle of a political nature toward purely technical objectives. At the Tarare Conference (France), they argued for a global order of information, demanding that the word "new" be dropped and that "international" be replaced with "global."

At present, documents of the United Nations use the concept "a new world order of information" while documents of the non-aligned movement use the concept "a new international order of information."

Not only do the names of these concepts differ, their definitions differ as well. In recent years, in addition to the concept "information," a new concept has emerged--"communication." And, the new order was at one time called the new order of information and communication.

To this day, there are still many different definitions of "communication."

--Some persons maintain that "communication is the interaction between one person and another through signs and symbols."

--Some persons define "communication as the medium of broad exchange of preconceptions and concepts between one person and another."

--And still other persons say that "communication is a category dealing with the interaction between one person and another through symbols. This interaction can take the form of behavior, gestures, drawings or written words."

Because of these disagreements and in accordance with a decision by the UNESCO General Council, 19th session, the International Commission To Study Communication Related Issues was established. The commission consisted of experienced journalists and news agency personnel from 16 countries and was headed by Mr. MacBride, and Irishman, a lawyer, former minister of foreign affairs and recipient of the Nobel Prize and the Lenin Peace Prize. Due to the commission's complex makeup, it encountered very many difficulties in its work and the final report of the MacBride commission (as it was called) represented a compromise.

Raising the question "what is communication?", the report gave the following definition: "Communication can be a tool of power as well as a revolutionary weapon, a commercial product or a means of education." Thus, the report simultaneously advanced four different definitions of the same concept.

Besides its several drawbacks, the report of the MacBride commission also contained many positive points, such as criticizing the stand of the Western superpowers in the field of information; criticizing the multinational corporations that monopolize information; proposing that the mass media create a good atmosphere for mutual understanding; and proposing that the mass media not be used for the purpose of war or to spread national, race or religious hatreds.

It was not surprising that, at the 22nd session of the UNESCO General Council in Paris in 1983, the "communications in the service of man" program sparked a sharp debate between progressive and reactionary forces, because the establishment of a new order of information is a matter of important significance in intensifying the class struggle in the international arena with the aim of resolving the basic issues of the times that exist among countries with different social systems. During that session, the United

States and a number of Western countries stressed the need for and sought to impose a "free dissemination of information" formula with a view toward evading their responsibility. Vietnam's representative and the representatives of the socialist and non-aligned countries pointed out: while the four Western news agencies (UPI, AP, Reuters and AFP) transmit more than 40 million words of news each day, the Organization for Cooperation Among the News Agencies of the Non-aligned Countries only transmits 60,000 words. In view of this situation, placing too much emphasis on "freedom of information" will only lead to a one-way flow of information. We demanded that the current imbalance in information be corrected and that a new order be established, a balanced order characterized by a two-way flow of information. We demanded that freedom of information be closely tied to holding persons accountable for the information they make available. We also waged an active struggle against the mistaken view that news be presented in an "objective" manner while actually presenting news that is inaccurate and biased. For example, when reporting on the Cambodian situation, some countries only report news on the Pol Pot genocidal clique or the international reactionaries who vilify Vietnam. Therefore, we demand that information be accurate, true, faithful and completely objective.

The concept of a new international order of information will remain nothing more than a concept if concrete and positive steps are not taken to make it a reality.

For the first time in history, the Conference of the Heads of State of the Non-Aligned Countries held in Algeria in 1973 issued an appeal for the decolonialization of information activities, the purpose being to help win economic independence and the right of political self-determination. Following that conference, a number of news agencies of the non-aligned countries began to exchange news with one another. However, the Organization for News Agency Cooperation Among the Non-aligned Countries (Pool) was not actually established until the Conference of Ministers of Information of the Non-aligned Countries in New Delhi in July 1976 and was not officially given approval until the 5th High Level Conference of the Non-aligned Countries in Colombo in late 1976.

Pool has organized a news transmission network among the countries within the non-aligned movement with a view toward presenting a true picture of their actual situation in the developing countries and combating distortions of the situation by Western news agencies. Pool marks an important step forward in the struggle to establish a new order in information.

Since its establishment, Pool has shown itself to have made a clear impact. Among the news agencies of the non-aligned countries, the exchange of news and mutual assistance in the acquisition of technical equipment and the training of cadres in the spirit of collective self-reliance have helped to increase the information capabilities of these countries with the aim of effectively contributing to the struggle against the huge propaganda apparatus of the imperialists and reactionary countries, an apparatus replete with distortions. Thanks to the assistance provided by the socialist countries and the non-aligned countries that possess more highly developed material and technical conditions, many developing countries have been able to establish their own national news agency.

Each day, the member agencies of Pool promptly transmits into the common news broadcasting network political, economic, cultural and social news of their country. A number of these news agencies, which have a more highly developed technical base, included among which is the Vietnam News Agency, have assumed the task as "rebroadcasting centers" that rebroadcast news received from countries within the region, as a result of which news concerning the non-aligned countries is transmitted further and more widely.

In its 10 years of operation, Pool has steadily grown. At first, it consisted of only 12 news agencies. Today, 93 countries participate in Pool and the news broadcast into the Pool network is growing in volume and being improved from the standpoint of quality with each passing day.

On each continent, regional organizations have also been established, such as the African news agency (PANA), the Organization of Latin American News Agencies (ASIN) and the Organization of Asia-Pacific News Agencies (OANA).

In addition, the Radio and Television Organization of the Non-aligned Countries has also been established.

However, these are only initial, encouraging steps. Because, there are still 13 non-aligned countries that do not have a national news agency and more than one-half of the members of Pool lack equipment and thus do not have the means to receive news or broadcast news on their country into the Pool network.

Technological advances in communication are occurring at a rapid pace. This demands that we constantly keep abreast of scientific and technical knowledge. The processing and dissemination of information also demand increasingly sophisticated and modern technology. One question that has been raised is: what must the attitude of the developing countries toward the importation of new science and technology be?

At the Mass Information Conference of the Non-aligned Countries (NAMEDIA) held in New Delhi in December 1983, two approaches were evident: to close a country's doors and not allow Western technology in, for fear of harming existing domestic means of communication, or to open the doors to new achievements in order to quickly modernize without taking the country's actual capabilities into consideration.

In his speech, the Vietnamese representative observed: the technological revolution is now on our doorstep. Therefore, in a display of a high spirit of collective self-reliance, the developing countries must first cooperate with and assist one another. On the other hand, they must demand that the developed countries transfer science and technology to the countries of the Third World without any political preconditions. Because their socio-economic conditions do not permit them to equip the mass media with modern technology all at once, the developing countries must centralize their existing capabilities and help one another to resolve those problems that they can resolve on their own. On the other hand, light attention cannot be given to gradually achieving modernization and importing new technologies that are compatible with needs, capabilities and the ability to utilize these technologies with a view toward applying the new scientific and technical advances of our times.

At the conferences of Pool, the issue of shifting to electronic operations has become a subject of intense debate. A number of news agencies of the non-aligned countries have begun to shift to electronic operations in the receiving and broadcasting of news (such as India) or the editing of news (such as Malaysia). The Vietnam News Agency is conducting a test and has begun to achieve good results in the establishment of a new Hanoi-Ho Chi Minh City news transmission line utilizing micro-computer equipment that transmits news copy in Vietnamese complete with diacritical and tone marks at a speed at least 12 times faster than conventional equipment now in use.

Pool has also taken concrete steps to accelerate the training of cadres and improve the contents, quality and form of news in order to increase the effectiveness of the information activities of the developing countries.

The U.S. imperialists have spent huge sums on information and will spend 1 billion dollars to modernize radio stations in the next 5 years. The CIA annually allocates 300 million dollars, and 2,000 personnel (at the information nerve center and overseas), for mass information services. The United States, constantly brandishing the banner of its anti-communist "crusade" everywhere, has made psychological warfare a part of its strategy to undermine the opposition and is using information and propaganda as a tool to poison minds and exert global pressure.

The regular conference of the secretaries of the party central committees of the socialist countries on ideological issues held in Bucharest in December 1985 decided that it was necessary to expose the ambitions of the United States to disrupt the strategic balance and achieve military superiority as ambitions that cannot be achieved and expose the bellicose nature of the "star wars program" of the United States and the danger to the cause of peace posed by this "crusade" thinking and policy as well as imperialism's provocative campaigns against socialism. The conference also decided that ways must be found to improve the technical aspects of propaganda work. In particular, consideration must be given to the direct transmission of television programs through space.

In the cause of building and defending the fatherland, in the struggle against the border war of encroachment and occupation and the wide-ranging war of sabotage being waged by the Chinese expansionists and hegemonists, we cannot give light attention to the impact of hostile information. Because, the Chinese reactionaries, in collaboration with the U.S. imperialists and domestic and foreign reactionary powers, are directing the thrust of their psychological warfare effort against our country every hour of every day, their purpose being to have an impact upon the spirit and psychology of the masses. Supporting their psychological war are dozens of Vietnamese language radio stations operated by the imperialists, the Chinese reactionaries and other reactionaries of all types.

Information is a tool that serves politics and is, in turn, under the impact of politics. Information is a vital force in economic development. With each day that passes, information is being utilized more widely in educational and cultural development. Information makes a positive contribution to increasing the understanding among nations with a view toward maintaining world peace and security and building international cooperation.

The field of information and communications is opening new prospects. At the same time, the struggle to establish a new, freer, more balanced and more effective international order of information remains a sharp struggle.

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THE ECONOMIC STRATEGY OF THE SOCIALIST UNITY PARTY OF GERMANY

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[Article by Vu Tien]

[Text] In the early 1960's in conjunction with the nationalization of the economic component of fascism, the GDR completed the socialist transformation of the capitalist economy within industry and agriculture. With that, socialist production relations were established and assumed the dominant position throughout the national economy. The economic strategy during this period was designed to eliminate the serious imbalance within the economy due to the partitioning of the country into two Germanies(1) while making every effort to develop production forces and improve the standard of living. Under this strategy, the material and technical bases of socialism were built and a number of important industrial sectors that were previously very weak developed strongly. The aftereffects of the war and the serious imbalance within the economy were virtually overcome. Thus, the tasks of the period of transition from capitalism to socialism were virtually completed during the early years of the 1960's. Socialist society began to develop upon its own base. In the 1960's, the party set the task of consolidating and developing the new social system in every respect. In the early 1970's, the 8th Congress of the Socialist Unity Party of Germany [SED] established the strategic task of building developed socialism, considering the performance of this task to be an historic process of profound political, economic, social, cultural and spiritual transformation, to be the stage of transition to the building of communist society.

In the early 1980's, the SED set forth the strategy for economic development in the 1980's, the aim of which is to achieve developed socialism under the specific circumstances of the domestic and world situations during this period. At present, the SED is reconfirming the correctness of the strategy that has been adopted and incorporating in this strategy new elements that are consistent with the new situation.

The most important element of the new economic strategy is the thorough development of existing scientific and technical potentials at home and in the world in order to increase the strength of the economy to the maximum degree possible.

Considering science and technology to be the decisive factor in the economic and military struggle between the two opposing social systems, the GDR is struggling to bring its scientific research into the ranks of the most advanced scientific research in the world. Only in this way can it find solutions of the highest possible quality to production problems. At present, and in the future, the GDR is concentrating on those sectors that employ high technology, considering this to be the key to the GDR retaining its position as one of the 10 industrial superpowers in the world. These sectors are microelectronics, robot technology, biotechnology, high grade ceramic materials, etc. Of these sectors, microelectronics and robot technology are the key industries in stimulating the development of the entire national economy and achieving the highest possible efficiency. In 1984, the GDR put 10,800 robots into use. Today, 46,500 robots are in use within the various sectors of the economy. In 1984, 43,000 (automated-programmed) production lines were put into operation. In September 1985, the GDR equipped general school students with personal computers and appropriate programs. The exportation of microelectronic equipment accounts for 50 percent of the total profits generated by exports.

More than 90 percent of the increase in national income, the increase in labor productivity, the reduction in the consumption of materials and the increase in the competitive position of the products of the GDR on the world market is the result of science and technology.

Another important element of current economic strategy is the full utilization of domestic natural resources. The GDR is poor in raw materials. It has no anthracite coal, petroleum deposits, iron ore, chrome or manganese and very little copper, timber, bauxite, cotton, gold, silver... With the tremendous assistance of the Soviet Union and through cooperation within CEMA, the GDR has been able to virtually satisfy its needs for these raw materials in past years and continues to do so today. However, in the early 1980's, new price changes occurred on the international market. The GDR has therefore called for an intensified effort to make full use of domestic raw materials and energy and reduce the importation of raw materials and fuel while still increasing the value of exports. To accomplish this, each economic, scientific and technical activity, from basic research, the application of technology and industrial science and the development of standards, architecture and the fine arts to elementary and advanced vocational training for the worker and the organizing of the entire production system in accordance with the strictest standards of quality, has the aims of increasing the output of domestic raw materials and fuel, including substandard raw materials, utilizing domestic raw materials within many different fields of production technology and, in particular, creating many products of high value from every kilogram of domestic raw materials through refining.

The GDR has done very much work in the process of meeting the objectives mentioned above. It was once projected that the GDR would not be producing 300 million tons of lignite (lignite is a type of low-calorie coal found in very large quantities in the GDR) per year until the year 2000. Today, the GDR's annual production of lignite exceeds 300 million tons. Due to the application of the latest achievements of science and technology, the GDR has been able to refine and enrich lignite, as a result of which it can use lignite to operate all electric power plants that were previously powered by oil and also use lignite in place of oil in many other fields. It has now been projected that there is enough lignite to last the power sector for 50 years. The established goal is to use lignite as a fuel in all fields of social production. Under the 1981-1985 Five Year Plan, the GDR allocated 70 percent of the capital invested in industry to the development of the lignite sector to meet this goal. Household furniture once made of wood is now manufactured mainly from sawdust and veneering. Optical fibers and high-tech ceramics are now being manufactured from domestic raw materials in place of imported raw materials. As regards livestock feed, the GDR once had to import 4.5 million tons of grain each year. Now, primarily as a result of raising its grain output and making full use of domestic grain, it only imports 1.5 million tons while still maintaining the development of livestock herds and the output of meat and milk.

One of the most important elements of the GDR's economic development strategy is to carry out expanded reproduction in depth. Carrying out expanded reproduction in depth means increasing the volume of products produced through the rational use of existing material bases without using additional labor.

There are many measures that can be taken to carry out expanded reproduction in depth. However, it is first of all necessary to carry out the scientific and technological revolution, apply scientific-technical advances and rationalize production. Secondly, labor must be utilized in the most rational and efficient manner possible in accordance with the principle that labor productivity must increase at a faster rate than product output. Thirdly, full returns must be achieved from fixed capital. On the basis of the trend in the world to upgrade technology, timely steps must be taken to upgrade fixed capital to modern technical standards. At present, more than one-half of the fixed assets of the GDR have only been in use for less than 10 years, one-third have been in use for less than 5 years. This represents a rather high rate of upgrading fixed assets. To achieve this rate, the GDR has raised the percentage of the capital invested in fixed assets used to upgrade equipment and reduced the amount of capital invested in new construction. Fourthly, practicing frugality must be considered a long-range strategy. The slogan of the GDR is to practice thorough frugality in production and consumption, in the processing of raw and building materials, with full importance attached to productivity, quality and efficiency.

The practice of frugality in production is governed by a system of strict ceilings on the consumption of raw materials and energy. According to the latest regulations, the consumption of raw materials and energy per unit of product must decline by 3 to 7 percent per year. At present, 92 percent of the economic activities in the GDR are governed by raw material and energy consumption ceilings. This percentage is the highest among the socialist countries.

The mobilization and use of scrap materials have been established as a plan norm, are encouraged by prices and are made possible by a widespread procurement network. Adults and children nationwide are very interested in this effort and actively collect scrap materials and products.

Practicing frugality in consumption has been established as a very strict requirement, especially with regard to the consumption of petroleum products and raw materials that must be imported.

On the other hand, utilizing work time in the most rational way possible is considered a measure of utmost importance in practicing frugality. This requirement has been established for society as a whole as well as for each individual worker. In 1983, as a result of increased labor productivity, some 543 million work hours were saved, the equivalent of the amount of time worked by 300,000 persons in 1 year.

The intensive development of production strategy has been in effect in the GDR since the early 1970's. In the case of the GDR, the economy must reach a certain level of development before intensive development can be carried out. Most importantly, the GDR must have a corps of highly qualified scientific and technical cadres and workers who are independent and creative, an important portion of whom must meet or exceed advanced world standards. At the same time, it must have a very strong material-technical base upon which the entire economy can develop in a stable manner. In addition, labor productivity and economic efficiency must reach unprecedented levels on a society-wide scale.

In the GDR, the development of consumer goods production on the basis of domestic raw materials or raw materials received from the Soviet Union and other socialist countries is one of the most important elements of economic strategy. To implement this strategic guideline, the state requires that not only the light industrial sectors, but also the industrial sectors that manufacture machinery and equipment for the production of consumer goods directly produce a number of necessary consumer products. Scientific and technical advances must be directly reflected in consumer goods. Microelectronics must be applied in consumer goods production with the aims of raising the quality, reliability and convenience of use of these products and making them energy efficient. The production of some consume goods demands the effective combination of modern technology and the talents of artisans, demands keen interest, attention to detail, creativity and enthusiasm on the part of the worker. Together with supplying grain and food products and building housing and on the basis of closely tying the improvement of the standard of living to increases in productivity and economic efficiency, supplying consumer goods to the people is also part of the unified economic and social policy of the SED.

The strategic targets of the SED for agriculture are: systematically raising the yield and output of all agricultural sectors, including crop production, livestock production and forestry, with a view toward providing a stable but increasingly large supply of increasingly high quality grain and food products to the people and raw materials to industry while boldly carrying out the industrialization of agricultural production and the urbanization of the countryside with the aim of gradually eliminating the basic differences that separate the cities and rural areas.

To achieve these goals and in view of the fact that the amount of area under cultivation cannot be increased (at present, the GDR has 4.7 million hectares of farmland and 1.6 million hectares of grasslands), the agricultural development strategy of the SED is to make every effort to increase output per unit of land and raise crop and livestock yields by raising soil fertility, modernizing agricultural machinery and equipment, strengthening and improving the material-technical bases within agriculture, reducing expenses and production costs, improving product quality and using land as efficiently as possible so that agriculture can provide the fullest possible supply of grain, food products and raw materials to society.

The SED maintains that agricultural production is of pressing economic significance as well as important political significance. Modern agricultural enterprises that specialize in crop production and animal husbandry and are closely linked through cooperative relations have been established within the GDR. These enterprises supply the people with their primary food products, such as meat, milk, butter, eggs, bread, sugar and potatoes. In 1984, the GDR produced a record output of 11.5 million tons of grain at an average yield of 4.5 tons per hectare. However, the GDR must still import grain each year to maintain its livestock herds. Agriculture (including the forest industry) only supplies a little more than half of the raw materials used by the national economy. Meanwhile, imperialism is making increasing use of grain as an instrument of political and military pressure.

In the face of this situation, the GDR must use every scientific and technical capability it has to accelerate the intensive development of agriculture and raise the output of grain, food products, livestock feed and the various types of raw materials, with the production of grain and livestock feed being given the position of foremost importance within the agricultural economy.

In conjunction with stepping up production within the agricultural cooperative and state farm sectors (state farms primarily specialize in animal husbandry and the selection of breeding stock), the GDR attaches very much importance to developing the role played by private agriculture, household animal husbandry and the Association of Gardeners. Private production currently accounts for roughly 5.5 percent of the land under cultivation. This production component is assisted by state economic agencies. The 1.3 million member Association of Gardeners and Small-Scale Livestock Producers supplies a large quantity of vegetables, fruit, honey and rabbit meat, about one-fourth of poultry output and 40 percent of the egg output of the entire country.

Together with the private handicraft trades, which represent some 260,000 laborers and supply 59 percent of output and services (handicraft cooperatives supply 41 percent of output and services), private agriculture and the subsidiary household economy are playing an increasingly large role.

Concerning education and training, the economic strategy of the SED takes the view that the laborer is the production force of most fundamental and decisive importance, even in the face of the continuous advancement of science and technology. Facts have increasingly shown that only persons who are highly specialized, who possess creative minds, are aware and disciplined can be the masters of science and technology. These persons are the only and the inexhaustible source of the economic strength of a country.

In the GDR, education and science are becoming more a part of each field of economic and social life with each day that passes. Therefore, the GDR has attached full importance to the education system, from the general school to the college levels, its aim being to train fully developed socialists who possess knowledge of culture, science and technology, and possess both socialist awareness and the spirit of industrial discipline. Besides its very well developed system of general schools, colleges and vocational middle schools, the GDR also has a system of technical and professional training schools for workers. At present, 95 percent of the workers in the GDR have attended these schools.

Under its line on educating the worker, the GDR considers it important to build discipline and intensify the teaching of politics, ideology, the spirit of responsibility and the obligations of the citizen. The SED stresses that the labor force of a developed industrial country must possess discipline as strict as the discipline of an army in combat, the only difference being that, in the economy, regulations and persuasion must be used more than orders. On the other hand, material incentives are provided at high rates in the GDR and are backed by the necessary material base.

Due to its policy of attaching importance to the human factor in the ways described above, the GDR today has a labor force whose technical skills and spirit of industrial discipline are among the best in the world. With 3.2 million industrial workers, the GDR has created an industrial output value that has brought the country into the ranks of the 10 industrial superpowers in the world. Agriculture (including the forest industry) has only about 800,000 laborers but produces a grain output large enough to support a population of nearly 17 million at a high standard of living (the average agricultural laborer feeds 21 persons). Agriculture also raises nearly 6 million head of cattle, more than 13 million hogs..., produces nearly 11 million cubic meters of wood and supplies numerous raw materials for industry, not including exported agricultural products.

As regards the GDR's economic management mechanism, in contrast to a number of countries in which the trend is toward "liberalization," the policy of the SED is to continue to perfect the management mechanism based on the plan along the lines of improving the quality of central planning while broadening the authority and responsibility of the combines within the scope of the plan. The state has introduced a category of four norms that are legally binding upon enterprises. These are: a norm on the output of goods, which includes the percentage of goods allocated for exportation; a norm on total output; a norm on profits; and a norm on the output of consumer goods for the people. The combines defend their plans before the Planning Commission in the presence of a representative of the concerned ministry. The combine is responsible to the national economy for balancing the products that the combine is assigned the task of producing. Deserving of attention is the fact that the enterprises within the combines practice complete economic accounting, are permitted to establish material incentive funds and have the status of an individual under the law.

Recently, the Vietnam Journalists Association sent us to visit the GDR. While in our friend's country, it became even more apparent to us that the decisive factors in the success of the above mentioned economic strategy are the leadership provided by the SED, the spirit of creative labor and self-reliance of the laboring people of the GDR and the close and comprehensive ties between the GDR and the Soviet Union and other members of CEMA. We rejoice over the large results achieved by the people of the GDR in the process of implementing the SED's economic strategy. This year, the party and people of the GDR will celebrate the 40th anniversary of the founding of the SED (21 April 1946) and hold the 11th Congress of the Party. On the occasion of these major holidays, the communists and people of Vietnam extend to the communists and people of the fraternal GDR our best wishes. We are confident that, under the light of the resolutions of the 11th Party Congress, the people of the GDR will surely record even larger achievements in their cause of building developed socialism in the GDR.

FOOTNOTES

1. Before Germany was divided, the eastern portion, the present day GDR, received 45 percent of its industrial and agricultural products from the western portion, the present day Federal Republic of Germany, where practically all the raw material, metallurgy, energy and heavy industrial installations of the entire country of Germany are concentrated.

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CUBA'S STEADY ADVANCE INTO THE FUTURE

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[Article by Ho Bat Khuat]

[Text] The victory of the revolution of Cuba, a country that lies in the Caribbean Sea near the United States, made a very strong impression upon the other nations of the world. Everyone anxiously followed developments there and more than a few persons asked themselves: can the Cuban people survive? Can the Cuban revolution survive and develop? More than one-quarter century later, the pride and stability of Cuba today provide an eloquent answer to these questions. The Cuban people, rich in courage and revolutionary zeal, are living in inspiration and self-confidence. In April 1986, Cuba celebrates the 25th anniversary of the victory at Hiron and the 25th anniversary of the Declaration of the Socialist Character of the Cuban Revolution. The country is changing itself to meet the new demands raised by the needs of our times. The 3rd Congress of Cuban Communist Party, which was held from 4 to 7 February 1986, was an event of great significance in the country's political, economic and social life. At the congress, Fidel Castro, 1st secretary of the Central Committee of the Cuban Communist Party, 1st vice president of the Council of State and Council of Ministers of the Republic of Cuba, declared:

"Every congress must be an opportunity to conduct a review with the aims of praising achievements that have been recorded, harshly criticizing shortcomings that have been committed and establishing optimistic and bold guidelines for the future with confidence in our revolutionary strength, in our revolutionary spirit and in the extremely large capabilities of socialism."

The most significant achievement of the Cuban economy during the past 5 years (1981-1985) was the growth of the gross social product at an annual average rate of 7.3 percent. Industrial production increased at the annual rate of 8.8 percent, with the production of a number of important sectors increasing at a high rate, such as 16 percent in the mechanical engineering sector and 9.5 percent in the building sector. During the past 5 years, the number of industrial projects increased 45 percent compared to 1980. Some 335,000 apartments were constructed. Cement production reached 16 million tons, a 3 million ton increase compared to the previous 5 years. Total electricity output increased seven times compared to the period preceding the revolution, thus enabling 85 percent of households to use electricity in their daily activities. Agricultural production (excluding sugarcane) increased at the average annual rate of 3.8 percent, with milk production increasing by 21 percent, chicken egg production by 23 percent, chicken production by 30 percent and hog production by 33 percent. Compared to the previous 5 years, the production of sugar, the key product of the Cuban economy, increased by 12.2 percent during the past 5 years and reached a stable output of approximately 8 million tons per year. The other sectors of the economy also recorded encouraging achievements. For example, during the past 5 years, the merchant fleet transported 21 percent more cargo and reached a total tonnage of 1,160,000 tons.

Cuba has recorded these achievements within the context of the world economic crisis that has become increasingly serious and exerted a major influence upon the economy of the Latin American countries and the countries of the Caribbean basin, a crisis that has kept the per capita production of the countries of the region at 1977 levels. From 1980 to 1985, the economy of Latin America only grew at the rate of 0.5 percent per capita per year. In the case of Cuba, the United State has also implemented a policy of economic encirclement, an embargo, military threats, etc. However, Cuba has remained stable, because, at Cuba's side stand the countries within the socialist community and friendly countries. Cuba's economy is a planned economy. Stable economic development has permitted the party and government of Cuba to raise the standard of living of the laboring people. As of 1985, there were 50 refrigerators, 91 television sets, 152 radios, 59 washing machines and 69 electric fans in every 100 households equipped with electricity. The Cuban party and state have given special attention to public health, culture, education and sports. All the achievements recorded in these fields are outstanding achievements.

Cuba currently holds a distinguished position in the world in health care. Today, there is 1 doctor for every 443 Cubans. The average lifespan of the Cubans is 74 years. At the start of the recent 5-year plan, doctors and public health personnel conducted a successful campaign to extinguish the hemorrhagic fever epidemic unleashed by the U.S. imperialists against the Cuba people.

In 1959, when the revolution won victory, more than 1 million of Cuba's 6.5 million people were illiterate. Today, a 9th grade education (under a 12 year system) has been popularized among all Cuban laboring people. At present, one-third of the country's population is attending one form of school or another. Some 280,000 students are enrolled at the 46 domestic colleges and thousands of persons are studying in the fraternal socialist countries. Cuba has trained 258,000 teachers and instructors, an average of 1 educator for every 12 students.

Cuba's teachers and doctors have not only fulfilled their task of providing education and health care to the people of Cuba, but have also fulfilled international obligations by going to teach and provide health care in Nicaragua, Angola, Ethiopia and many other countries.

The cultural life of the people has been steadily improved. Cuba prints more than 40 million copies of books each year. The country has 319 public libraries and more than 3,000 libraries at colleges. In the fields of art, such as cinematography, painting, literature and dance, Cuba has achieved major successes that have been recognized in the world.

Cuba is one of the countries in the western hemisphere that invests the most in the development of sports. In international competitions, Cuban athletes regularly record outstanding achievements.

To defend the gains of the revolution, especially in the face of the constant threat posed by the U.S. imperialists to the Cuban revolution and the revolution in Central America, the Cuban party and state have given their full attention to strengthening its national defense system. Cuba has made enormous efforts to build a well trained armed force that is always in a state of combat readiness and possesses high mobility, strong firepower and a brave and tenacious fighting spirit. Today, Cuba's national defense potentials are strong enough to defeat every enemy that invades Cuba.

During the past 5 years, Cuba's armed forces have fulfilled their task of defending the fatherland well while sending some 100,000 persons to fulfill international obligations.

Today, the men and women of Cuba are very proud of their country, of their people, who consist of many different races and skin colors but live as equals and in harmony within one family. Latin America is a place where racism has persisted for centuries. However, in Cuba, this phenomenon has completely disappeared forever. This is one of the most important achievements of the Cuban revolution.

Cuba begins 1986 with the strength, stability and self-confidence for Fidel Castro to frankly and clearly discuss its shortcomings and weaknesses from the rostrum of the 3rd Party Congress. The deficiencies in economic management were presented in detail and thoroughly analyzed in order to give everyone an understanding of the harm they cause so that efforts are made to correct and avoid them and develop new and more effective management methods.

Confirming achievements, praising progressive thinking and creative workstyles while pointing out existing weaknesses and criticizing attitudes that are conservative and slow to change, these steps make it possible to gain a clear and correct understanding of oneself, to correctly evaluate oneself in order to mobilize all strength for the cause of building and defending the fatherland. The draft of the Basic Guidelines for the Socio-Economic Development of the Country During the 5 Years from 1986 to 1990 was presented for the people to discuss. More than 3 million laborers contributed their thoughts to this draft. At the 3rd Congress, the intelligence of the entire party and all the people was tapped and crystallized and a major plan for the future was adopted. One of the important tasks of this 5 year plan is to further raise labor productivity and make better use of production potentials with the aim of achieving an average annual rate of growth of 5 percent in the gross social product and 5 percent in exports while holding the rise in imports to only 1.5 percent. Cuba will invest 23,140,000,000 pesos in the economy, a 29 percent increase compared to the previous 5 years, 45 percent of which will be invested in the industrial sector. One of the objectives of the country's economic strategy is to accelerate the process of industrialization. According to the plan, electricity production will increase by 4.3 percent, the production of the machine industry by 9.3 percent and nickel and cobalt production by 14 percent per year. Steel production in 1990 will be 57 percent higher than in 1985. Oil production will reach 2 million tons by 1990. Agricultural production (excluding sugarcane) will increase at the annual rate of 4.5 percent, with sugar production increasing 15 percent, over the next 5 years. The food products industry will grow by 3 percent. The fish catch will be increased to 248,000 tons by 1990 compared to 220,000 tons in 1985. The tonnage of the ocean fleet will be increased to 1,360,000 tons.

Public health work, cultural activities, education and sports will continue to be promoted and improved in order to record even more outstanding achievements. In its plan for the next 5 years, Cuba gives special attention to the various aspects of the standard of living, such as food, shelter, clothing, health care and relaxation. By 1990, daily per capita food consumption will rise to 3,100 calories and 83 grams of protein. The state, cooperatives and private individuals will build 400,000 new homes. Per capita cloth output is projected to reach 23-24 square meters. Twenty-seven hospitals, 45 general medical examination offices and 113 convalescent centers will be constructed and put into use.

With the experience gained in the more than one-quarter century that they have been building socialism, with their innate spirit of diligent and creative labor together with the assistance of and economic cooperation with the countries within CEMA, the Cuban people turn their hands to these large tasks with confidence in victory.

The posture of Cuba today is very proper, very stable. This stability stems mainly from the fact that the 10 million people of Cuba have absolute confidence in the Cuban Communist Party--the heroic vanguard unit of the working class. The Cuban Communist Party currently has 532,639 official and alternate members, 60 percent of whom are directly engaged in productive labor and combat on the basic level. The glorious feats of arms and achievements of the country are closely tied to the leadership provided by the party.

In combat, labor and their studies, the revolutionary zeal of the Cuban people is clear, specific and robust: they want to do everything that they can to protect the gains of the revolution, to stimulate the continuous development of society. In its leadership of the process of building and defending the fatherland, the party has maintained and raised the people's zeal during the early days of the revolution to a new pinnacle.

Today, the urgent and decisive need for change demands that a correct decision be made concerning cadre work. The policy adopted by the party is to reduce the average age of the corps of cadres. The Party Central Committee elected by the 3rd Congress consists of 146 official members and 79 alternate members, 20 of whom are between the ages of 28 and 35, 91 of whom are between the ages of 36 and 45, 86 of whom are between the ages of 46 and 55 and 28 of whom are more than 55 years of age. Veteran revolutionary militants who have served in the supreme leadership organization for many years, while still able to excellently fulfill their tasks, have now volunteered to turn their positions over to younger cadres.

The Cuban Communist Party has boundless confidence in the young generation, in this stratum of competent, educated persons who possess critical minds. Speaking at the Congress of the Union of College and Vocational Students, Fidel Castro said: "Yours is a large responsibility. Soon, by the year 2000, there will be more of you than there are of us! The future is in your hands."

The young generation of Cuba, building upon the fine traditions of their fathers and older brothers and forging, cultivating and improving themselves in the bosom of socialist society, is undertaking large responsibilities. Cuba is in the midst of profound change. It is as though the entire country is turning things over to a new generation.

In the land of Cuba, urgent steps are being taken to implement the resolution of the 3rd Congress. It is in this atmosphere of urgency and excitement that the Cuban people commemorate the 25th anniversary of the victory at Hiron and the 25th anniversary of the Declaration of the Socialist Character of the Revolution. In the more than one-quarter century that it has been leading the revolution, the Cuban Communist Party has become one of the staunchest and most highly experienced vanguard units of the international communist and worker movement. With its correct line, its dynamism and creativity and its valuable experience, the Cuban Communist Party, headed by Fidel Castro, the wise leader blessed with talent and revolutionary zeal of the Cuban people, will steadily lead the country of Cuba, this free island, into a brilliant future.

A relationship of warm and close militant solidarity has long existed between the communist parties and peoples of Vietnam and Cuba. The two parties and the peoples of our two countries deeply understand each other and always stand by each other's side in the cause of building and defending the fatherland, in the struggle for the ideals of communism.

On this occasion, the communists and people of Vietnam extend to the communists and people of Cuba our heartiest congratulations! We wish the fraternal Cuban people many larger victories in firmly defending and making the country of Cuba--the outpost of socialism in the western hemisphere--more beautiful with each passing day.

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CONCERNING THE CURRENT MILITARY-STRATEGIC BALANCE IN THE WORLD

Hanoi TAP CHI CONG SAN in Vietnamese No 4, Apr 86 pp 102-106

[Article by Phan Doan]

[Text] What is the military-strategic balance, how is it formed and why is it the prerequisite to peace and detente in the world? These are burning questions of our times. Shedding light on these issues is a matter of very important theoretical as well as practical significance in gaining an understanding of the world situation, international relations and the trend of development of these relations.

A balance of military-strategic forces is a concept that is rather complex and is very widely used in modern political language. As commonly understood, this balance is parity between the Soviet Union and the United States, which can also be called parity between the Warsaw bloc and NATO bloc, between the East and the West, between socialism and capitalism, in all military forces, which include conventional forces, tactical nuclear weapon forces and strategic nuclear weapon forces. Of these, parity in nuclear weapons is the most important.

Because it takes the view that the use of military power is the basis of foreign policy and practices hegemony, imperialism holds that military power is the most decisive factor in the comparison of forces. Conversely, socialism holds that when evaluating the comparison of forces, it is necessary to examine overall strength, which includes the economic potential, military potential and political, ideological and spiritual strengths of the system and the strength of the times, that is, the strength of the forces of revolution in the world. Imperialism can never acquire these strengths.

Likewise, the comparison of military forces is also not only related to factors that can be calculated, such as troop strength, the quantity and quality of weapons, equipment and so forth, but also related to factors that cannot be calculated, such as the fighting spirit and level of training of the army, command, rear service, information and intelligence capabilities, special characteristics concerning the organization and structure of the army...

In this article, allow us to render all these incalculable factors in abstract form so that we can concentrate on analyzing the balance of military-strategic forces in depth.

Following World War II, the Soviet Union and other socialist countries always attached importance to moving forward on both feet in the field of building national defense forces, that is, developing conventional forces while also developing strategic forces. Major advantages existed following World War II for the development of the conventional armed forces of the Soviet Union and other socialist countries. Having crushed the resistance of the German fascist army in its very stronghold and wiped out the Kwandong Army, the best trained force of the Japanese fascists, the Soviet Red Army emerged from World War II with the stature of an invincible and ever victorious army. It was the strength of the Soviet Red Army that thwarted the sinister scheme of bellicose powers in the United States and Great Britain to unleash a war against the Soviet Union following the conclusion of World War II. Against this background, the United States dropped the two atomic bombs on Hiroshima and Nagasaki chiefly to intimidate the Soviet Union. The world thus entered a new era, the era of nuclear weapons. The above mentioned nuclear holocaust faced mankind with a choice: to accept U.S. rule in a U.S.-style peace or be annihilated by nuclear weapons. There was no other option. Because, following World War II, the United States was the strongest imperialist power in the world and held an exclusive monopoly in atomic weapons. This situation demanded that the Soviet Union quickly put an end to the nuclear monopoly of the United States and quickly equip the forces of peace and revolution with weapons as modern as those of the imperialist camp, including strategic nuclear weapons. The imperialists had to be shown that there will not even be a "cemetery" for them on this planet should they recklessly unleash a nuclear war against mankind. Profoundly aware of its responsibility for the survival of the human species, the Soviet Union carried out plans, even during the final years of World War II, to manufacture nuclear weapons. Since World War II, the Soviet Union has spared no effort to successfully establish a military balance with the United States and NATO, most importantly in terms of strategic forces. This process, which took 25 years, was marked by memorable historical milestones. In 1949, the Soviet Union tested its first atomic bomb, thus bringing the U.S. monopoly in nuclear weapons to an end. In 1953, the Soviet Union developed the hydrogen bomb. In 1956, the Soviet Union successfully tested an intercontinental missile. This achievement by the Soviet Union stripped the United States of the inviolability its territory enjoyed in World War I and World War II. The year 1957 marked a new stride forward by Soviet science and technology in the effort to surpass the United States in the conquering of space. The 1960's were marked by extraordinary growth on the part of the Soviet Union in strategic weapons, growth in terms of the number of these weapons and their destructive power and accuracy, growth that led to the establishment of balance with the United States and NATO.

At first, in the 1970's, the United States had to acknowledge the existence of this military-strategic balance. This was the basis for the signing of a series of treaties by the Soviet Union and the United States aimed at recognizing this balance from a legal standpoint. These treaties were: the treaties between the two countries on the principles underlying the relations between the Soviet Union and the United States concerning the first stage of the limitation of strategic arms (SALT I) and the second stage (SALT II) and the negotiations held in Vienna in 1973 on the mutual reduction of conventional forces in central Europe. It has been on the basis of this balance that the Soviet Union and the countries of the Warsaw Pact have continuously proposed many peace initiatives with a view toward ending the arms race and improving the world situation. Of these initiatives, the most significant are the proposals made by the Soviet Union in the current negotiations with the United States on military disarmament, such as a mutual 50 percent reduction in the number of strategic weapons capable of being fired on the territory of each other's country. The unilateral cessation of nuclear testing by the Soviet Union and, in particular, the proposal made by General Secretary Gorbachev on 15 January 1986 concerning a comprehensive program aimed at the total elimination of nuclear weapons on the planet by the end of this century. Clearly, these are proposals that stem not only from good will, but also from the real capabilities made possible by the East-West military-strategic balance. The efforts being made by the United States and NATO countries to undermine the agreements previously reached with the Soviet Union and the Warsaw Pact on the limitation of strategic arms and their slowness to reach new agreements on military disarmament show that they are very afraid of the existence and increasing consolidation of this balance. The Reagan administration is making every effort to disrupt this balance and win military superiority for the United States.

Bellicose elements within the U.S. administration are always inventing stories about the "military threat posed by the Soviet Union," saying that the Soviet Union has surpassed the United States and NATO in strategic arms. Recently, U.S. Secretary of Defense Wineberger produced some fabricated figures showing that whereas the national defense expenditures of the Soviet Union equalled 1 and U.S. defense expenditures equalled 1.4 in the early 1960's, the United States dropped to 0.65 in 1981 and is projected to only reach 0.95 in 1986. These arguments are only designed to provide reasons for defending and concealing the current insane arms race policy, especially the exceedingly dangerous and costly SDI program being developed by Washington, the aims of which are to disrupt the existing balance, achieve superiority for the United States and plot ways to engulf the Soviet Union and all mankind in an annihilating nuclear war. The strategic military balance is the prerequisite to international peace and security. Maintaining this balance is the most pressing task of today.

The present balance of military-strategic forces in the world is an historic achievement of socialism. For nearly 70 years, ever since the emergence of the first socialist country in the world, the development of the international situation and international relations, most importantly the ability to safeguard world peace, has been closely associated with the growth and strength of the Soviet Union and the world socialist system.

In the first stage (1917-1945), although the world imperialist system had only been perforated at one place, in Russia, thereby bringing to an end the unrivaled ruled of imperialism in the world and leading capitalism into the general crisis, socialism only existed in one country and was encircled by capitalism. In that situation, anti-war forces, the only base of which was the Soviet Union, were not strong enough to prevent the outbreak of World War II.

In the second stage (from 1945 to 1970), the situation underwent major changes. Socialism, once found in only one country, became a world system. The three currents of revolution were continuously on the offensive and constantly grew. Against this background, although the United States still enjoyed a temporary superiority in nuclear weapons, it did not dare unleash a new world war. However, the United States and other imperialists used this temporary superiority to unleash the cold war and hundreds of regional wars, the three largest of which occurred in Asia.

In the early 1970's, following the defeat of the United States in Vietnam, a totally different situation emerged. With the Soviet Union and the member countries of the Warsaw bloc having established military-strategic balance with the United States and NATO, the United States and the imperialist camp lost their military-strategic superiority over socialism. The formation of this balance was primarily the result of extraordinary efforts made over a period of many years by the heroic Soviet people. In 1917, the industrial output of the Soviet Union only accounted for 3 percent of world industrial output. Today, this figure is 20 percent. The national income of the Soviet Union compared to that of the United States was 31 percent in 1950, 50 percent in 1957, 59 percent in 1965, 67 percent in 1975 and 75 percent today.

These gains have been made in a short span of history. These gains have enabled the Soviet Union to strengthen its national defense forces while constantly raising the standard of living.

The strength of the Soviet economy also stems from the fact that the Soviet Union is the only developed superpower that can achieve self-sufficiency in practically every natural resource, while the United States and other superpowers are becoming increasingly dependent upon external sources of natural resources.

The Soviet Union leads the world in a number of important fields, such as the use of nuclear energy for peaceful purposes, laser technology, space technology... In a number of other areas, the Soviet Union is on a par with the United States. This is not to mention the fact that, because of the superior nature of socialism, the Soviet Union is able to mobilize the manpower and material of the country more effectively than any capitalist country.

By the end of this century, under its new program to perfect socialism, the Soviet Union will possess an economic potential twice as large as today's. This will open a fine prospect for the cause of the Soviet people and the entire world.

Bellicose elements of imperialism and their hired hands in the press are always falsely accusing the Soviet Union of spending much more on the military than the United States, but they also tear down the Soviet economy. They say, without thinking, that the Soviet economy is in crisis, is weak and in chaos! Those who do not know the truth always say things that are contradictory!

Without a powerful economic potential and advanced science and technology, how could such a powerful national defense potential have been achieved? What is the truth? As history shows, the Soviet Union has built an economy that is fully capable of continuously raising the standard of living and providing a strong national defense system, one that is on a par with imperialism from the standpoint of strategic military forces and capable of meeting any of their challenges and preventing the United States from disrupting the existing balance. Moreover, the economic potential of the Soviet Union also permits it to raise the level of the strategic balance when the situation requires in order to maintain this important material base for a lasting peace in the world.

The factor that stands out the most today, a factor that is of enormous epochal significance, is the growth of peace forces and the ability of mankind to prevent a new world war. A seemingly contradictory situation has emerged. Never before has the scale of the arms race, in both conventional forces and strategic nuclear forces, been as large as it has during the past 15 years. The number of nuclear weapons currently in the world has reached the point where life on this planet can be annihilated 20 times. However, it is precisely in this situation that the ability of mankind to maintain peace is greater than ever before and has become a real capability. Why is this? Clearly, the establishment of military-strategic balance by the Soviet Union and the other countries of the Warsaw Pact has, as Gorbachev once said, faced the imperialist camp with a choice, coexistence or mutual annihilation. This has stimulated the formation of a worldwide anti-war movement, one that includes individuals and groups within the imperialist ranks. As regards the forces of peace and revolution, the establishment of the East-West strategic balance created for them a totally reliable base for continuing the struggle for the goals of our times: peace, national independence, democracy and socialism.

The realities of the past 15 years have shown that the ability of imperialism to unleash wars has been markedly reduced. Some circles within the imperialist camp have also begun to see that the comparison of forces has changed in a manner unfavorable to them and it would be suicidal for them to recklessly unleash a world war. Moreover, their ability to start a limited war or cold war is also limited. The clearest indications of this are the hasty U.S. withdrawal from Lebanon following heavy casualties and the failure of U.S. allies to support the U.S. economic embargo against the Soviet Union. The Reagan administration is very aggressive and bellicose. Yet, only 4 months after taking office, it was forced to lift the ban on the sale of grain to the Soviet Union. The cause of this diminished capability is not, of course, a change in the aggressive character of imperialism, but the growth and strength of the Soviet Union and the world socialist community. Today, with a solid strategic balance having been established between socialism and capitalism, a new assemblage of forces is developing in the world in the form of an international anti-war front that even includes persons who have never had any liking for communism. This situation has profoundly changed international relations. Due to the establishment of this balance, the comparison of forces in the world has changed in the favor of socialism. Consequently, good possibilities have arisen for rebuilding the entire system of international relations that formed during the post-war era and basing these relations on peace and democracy.

The dominant feature of international relations today is the fact that, in the face of the threat of "mutually assured destruction," more and more countries are recognizing that the most correct course, the most rational choice is peaceful coexistence between countries with different socio-political systems. This was predicted by Lenin long ago but only became a universal reality with the formation and solid establishment of the East-West strategic balance. Relations based on mutual coexistence in Europe, which began in the early 1970's and have withstood the challenges of the recent 7 years of cold war, have now been further strengthened with the Stockholm Conference on European Security and Cooperation. Now, relations based on peaceful coexistence are starting to spread to Asia-Pacific.

During the remaining 15 years of this century, the class struggle in the world will continue to be an arduous and bitter struggle. The danger of nuclear war will continue to be very large. But the ability to safeguard peace will be even larger. The danger of a world war has been reduced. The possibility of mutual coexistence has begun to become a reality. But limited wars and revolutionary struggles will continue to occur. With peaceful coexistence, better conditions and new capabilities exist for the forces of revolution and peace to continue the struggle for a just society, for an international order of equality, democracy and progress. In this struggle, the people of the world have a solid base of support, the powerful Soviet Union, the country that is preparing to take huge strides forward under the light of the 27th Congress of the glorious CPSU.

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LAOS

COMMENTARY SCORES U.S., PRC, THAILAND ON CAMBODIA STANCES

Vientiane PASASON in Lao 12 May 86 p 4

[Column: "War Mongering Schemes of Imperialists and Their Henchmen Must Be Stopped Promptly"]

[Text] We have learned from news reports from Phnom Penh last Sunday that during the month of April, AN 19 and A 37 aircraft and helicopters of rightist reactionaries in Thai power circles flew over and spied on the northern border area where [Laos, Cambodia and Thailand] join, north of Angkor Wat, Daoun Obok, Poi Pet and other areas near the Thai-Cambodian border. Along with that, these aircraft also intruded over Kampuchean waters up to 922 times over Ko Kong island and Ko Tang. They shot 1000 projectiles into Kampuchean territory to protect reactionary Khmer infiltrating into Kampuchean territory.

These activities of rightist reactionaries in Thai power circles are in addition to those coordinated by Beijing reactionaries, who have shot up to 20,000 projectiles across Vietnam's northern boundary. These show to Laos the obscurantist schemes of the imperialists and their henchmen in continuing to create tensions to achieve their bellicose goals.

As we are well aware, the Washington administration still has not learned its lesson at all from the pain of the shameful defeat in 1975 of the American imperialists in the Indochinese war. This shows clearly in their persistence in continuing to show their faces in Southeast Asia once again as international military police.

Under the guise of a so-called solution to the conflict in Kampuchea, the American imperialists are conspiring with the Beijing international reactionaries to expand the area of the undeclared war against the Kampuchean people, who are building new lives after being liberated from the genocide of Pol Pot. The recent promotion of military relations between Beijing and Washington is shown by the recent visit of Chang Te Sche, the Chinese supreme military commander. During this visit, Washington agreed to sell military materials to China worth $550 million and made agreements in other areas.

The United States has not reduced its pressure and has been pushing its schemes, starting with its aid to reactionary Khmer, under a claim that these Khmer are not "communists." Now their aid for Khmer refugees through Thailand has been stepped up to selling weapons to Thailand as a so-called necessity for the security of Thailand. Currently, light arms are manufactured in Thailand and the United States is again providing assistance in searching for ways to improve Thai troops in Thailand.

Based on these developments, are not Washington's real intentions toward Southeast Asia as clear as night and day? What are Washington's intentions, if not to return to the old line from which they experienced such pain in 1975?

Consequently, rightist reactionaries in Thai power circles are provoking neighboring countries and continuing to support and cooperate with the genocidal criminal Pol Pot group, who hope to kill the people of Kampuchea again. They support a mere ghost government through the body of a so-called "democratic coalition government" in order to create tensions that will destroy the security and stability of this region. Their aim is to distract the interests of the people in this region and the world populace, who have started to worry deeply about official agreements in Bangkok and Washington for making weapons on Thai soil.

For more than 20 years, the United States of America has used Thai soil as a military base for carrying out wars to destroy the people of the three Indochinese nations. The people of this region and the American people still remember the disasters, the savagery and damage of the destructive war of the American imperialists that is returning once again to this region. This return is strongly opposed by the opinion of people of this region and by the Thai people. Surely, all the war-mongering schemes of the imperialists and their henchmen will be defeated as they were in 1975; there is no doubt about that.

12597
CSO: 4206/109

ARMY FAULTS PARTY MEMBERS' INATTENTION TO MASSES

Vientiane KONGTHAP PASASON LAO in Lao 17 Apr 86 pp 1, 4

[Column: "Party Members' Closeness to Masses"]

[Excerpt] A few party members, including those who make their daily living with the masses, are not close to the masses. They refuse to be close and refuse to listen to the opinion of the masses; therefore, they do not know the public's thinking, opinions and desires. Even though party members may be knowledgeable about the masses, their knowledge is incomplete or inappropriate for the real situation. This will make the party organization, policymaking, work methods, and decision-making in various departments unclear. On top of that, this lack of interest in the masses causes damage, reflects on party weaknesses, makes the masses unhappy and makes departments progress slowly. But there are special cases: a number of party members are brave, enthusiastic, technologically oriented, strategically inclined and well educated. However, they are unable to expand their leadership role and cannot lead because they not close to the masses. They do not know the masses, so they can not succeed. They do not get the attention and support they need from the masses for their work to be accomplished with great efficiency.

The facts confirm more and more clearly that party members, regardless of whether they are in high or low positions, must all be close to the masses in order to perform their work successfully. For any party member, to start to be distant from the masses is the same as keeping distant from organizations, his role and his duty. If party members see this problem, we must exert our efforts to train ourselves continuously so that being close to the masses is systematic and becomes routine.

As for those party members who are presently in grassroots departments of the army, being close to the masses is, above all, being close to the LPRYU, to LPRYU members and youth groups in general. Each party member must be concerned with every area of activity of LPRYU committees and members. He must assist in organizing, guiding and educating youth to make them strong in every area to overcome weaknesses, make them progress continuously and perform their duties thoroughly in every area of their work. He must be close to the masses, meaning take the responsibility to visit them as a leader, with respect, trust and care. He must oppose old and traditional ideas, such as refusing to be educated himself about the masses or refusing to listen to the masses. And he must also oppose insincere approaches and superficial relations with the masses.

Being close to the masses means to go deeply into real problems, to know the masses well, to accept the ideas and abilities and condition and desires of each person. And each party member must find ways to encourage each person to study in order to promote every ability of the masses in every revolutionary task. To do that, party members must take time to be close to the LPRYU, to be enthusiastic in every activity of the LPRYU, to set examples of self criticism and mutually constructive criticism and to encourage youth to be enthusiastic in participating in and developing and leading party organizations and being honest.

12597
CSO: 4206/109

LAOS

EDITORIAL DEMANDS HALT TO FOREST BURNING FOR FARMING

Vientiane PASASON in Lao 10 May 86 pp 1, 2

[Editorial: "Reform To Make Farming Appropriate"]

[Excerpt] The policy of our party and state toward the farming problem in midland areas is to reduce or eliminate slash and burn farming, and to promote the farming by tilling the earth or by "terrace farming," for example.

To implement this policy in every province, farmers are encouraged to farm by tilling the soil or by terrace farming in locations where conditions permit them; for example, in Houa Phanh, Xieng Khouang and Phong Saly Provinces. In locations lacking favorable conditions, farmers are encouraged to farm by weeding or slash and burn; there are not forbidden in dry grasslands areas that are located far away from streams or watersheds. The area of midland farming by slash and burn has been reduced considerably; for example, in 1985 it was reduced by 23,000 ha over that in 1981, which was the first year in the 5-year plan.

Nevertheless, this achievement is still too small in comparison with the agricultural policy of our party and state. The midland farming area is currently still vast. In certain provinces, the area has increased instead of being reduced. For example, in Oudomsai Province, there were 38,420 ha of midland farming area in 1981, but in 1985, there were 40,370 ha. In Luang Prabang Province, the midland farming area increased from 54,570 ha to 56,000 during the same period; in Houa Phanh Province, it increased from 31,064 ha to 37,795 ha. This is not a good sign. In accordance with the agricultural policy of our state and party, we must strive to solve this problem.

Based on the actual situation, we stepped up in 1986, which is the first year of the second 5-year state plan. In our opinion, it is necessary that cadres at every level, authorities, and every agricultural section in every province should have plans to eliminate slash and burn farming each year by encouraging farmers to farm by weeding, tilling the soil and stepping up to terrace farming in places where conditions permit. This is especially true for the hill tribes, who are primarily midland farmers, now that the rice farming season has arrived. Therefore, the main thing is to guide them in farming seasonally and efficiently because their harvests are important for increasing the national food supply to reach projected goals, namely, 1.6 million tons this year alone, and for raising and improving their living standards.

Surely it is very difficult to take charge of nature by midland farming and to prevent damage in midland farming from natural disasters or wildlife. However, if we are knowledgeable in management and guidance, we can reduce the damage and raise midland rice production. Party committees, administrators and authorities of agricultural sections in every province where the majority of the people earn their living in midland rice production, more than ever must consider this task as being very important in performing their duties, starting with weighing their understanding of the policy of the party and state concerning slash and burn farming.

12597
CSO: 4206/109

CHIANG MAI OFFICIALS SEIZE SHIPMENT OF WEAPONS FROM PRC

Bangkok THAI RAT in Thai 6 Jun 86 pp 1, 20

[Excerpt] A news report from Chiang Mai stated that at 0700 hours on 5 June, police officials from the Chiang Mai provincial police station in Hot District received a report from the Ob Luang inspection station stating that a yellow Toyota pickup truck, license No Chiang Mai-5705, had sped past the checkpoint without stopping to allow officials to conduct an inspection. They suspected that the truck was carrying contraband and so they asked officials from the provincial police station in Hot District to help intercept the truck. After receiving this report, Police Lt Col Somsak Phutthamek, the chief inspector, and Police Maj Thanasan Phraitho, the investigation inspector, took a number of men and set up a checkpoint along the Chiang Mai-Mae Sariang highway at Kilometer 2 in Hang Dong Subdistrict, Hot District.

A short time later, this pickup truck approached the checkpoint, and officials signaled it to stop. When the driver saw the large number of officials there, he decided to stop and allow them to conduct an inspection. In the rear of the truck, the officials found 134 gunny bags. Beneath the gunny bags, they found crates of weapons, including 55 RPGs, 55 bars of RPG gun powder, 15,360 rounds of AK ammunition, and 420 rounds of Sekase ammunition. Thus, the police arrested the driver, who was alone. During the interrogation, the suspect, who was identified as Mr Bunta Panyapo, age 26, who lives at Village 4 in Pialuang Subdistrict, Wiang Haeng Branch District, confessed that he had been hired to transport these weapons from Mae Hong Son and deliver them to a Haw Chinese at Tham Ngop in Chiang Dao District. He said that these weapons had come from Red China. He had been paid 5,000 baht to transport this shipment of weapons. Mr Bunta said that he was just the hired driver. The truck belonged to Mr Pleng Panyapo, his father. Following that, Police Lt Col Somsak reported this to Police Col Sanam Khongmuang, the superintendent of Chiang Mai Province, and, together with Police Lt Gen Niyom Kanchanawat, the commissioner of the police provincial 3, went to interrogate the suspect. Officials are still holding Mr Bunta in an effort to discover the identity of those behind this.

Police Lt Gen Niyom Kanchanawat, the commissioner of the police provincial 3, reported this to Police Gen Narong Mahanon, the director-general of the Police Department. Police Gen Narong is very interested in this, and on 6 June he will fly there to investigate the matter himself. The objective is to put a stop to those minority groups that are stirring up trouble and causing problems for Thai officials. He will also take this opportunity to investigate the serious crime that was committed 2-3 months ago.

11943
CSO: 4207/280

NAKHON PHANOM VILLAGERS PROTEST LAO REFUGEE CENTER

Bangkok THAI RAT in Thai 22 Jun 86 pp 1, 20

[Excerpt] In Nakhon Phanom at 1000 hours on 21 June, approximately 500 villagers from Ban Noen Sa-at, Ban Sang Hin, and Ban Narat Khwai in Narat Khwai Subdistrict, Muang District, who were carrying posters staged a protest in front of the Democracy Hall at the Ban Narat Khwai school. They were unhappy about provincial officials building a Lao refugee center at Ban Khok Nam Kliang in Narat Khwai Subdistrict. The posters criticized the provincial govenor for doing something against the wishes of the people. They threatened that if he went ahead with this, they would return their identification cards and refuse to vote.

At present, approximately 2,000 Lao refugees, including women, elderly people, and children are living behind the Nakhon Phanom provincial police station in Muang District. They are not being properly supervised and so there is a lack of order and the area is very dirty. This is because these Lao refugees have to stay in that one place. And there is no fence to help maintain good control over them. The police station suggested that the province move these Lao refugees to another location for interrogation before sending them to the Ban Napho refugee center. The province passed a resolution to build a detainment center at Ban Khok Nam Kliang, which is almost finished. When the villagers in the area found out about this, they joined together to protest against this, because they think that these Lao refugees will cause trouble.

Mr Uthai Nakpricha, the governor of Nakhon Phanom Province, and Police Lt Col Krutsana Sangkhanon, the deputy police superintendent, went to explain things to the villagers. But the villagers stood their ground and demanded that the province stop work on this refugee detention center. After 3 hours of negotiations, the villagers were still opposed to this and so Mr Uthai promised to submit the matter to the Ministry of Interior in order to find a way to solve the problem. The villagers, who were represented in the negotiations by Mr Mana Khusakun, Mr Sawat Kaeobunta, and Mr Kan Chaison, members of the Nakhon Phanom provincial council, agreed to disperse that afternoon.

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CSO: 4207/280

CUSTOMS UNIT FACES MAFIA, UNHELPFUL MALAYS

Bangkok MATICHON in Thai 18 Jun 86 p 3

[Unattributed report: "Southern Customs Unit Encounters a Tough Enemy, Mafia Groups That Smuggle Goods Take Action To Have Officials Transferred"]

[Text] Customs officials in the south have encountered a major problem. Mafia groups that deals in smuggled goods has taken action to have officials transferred out of the area. Preparations are being made to launch a new suppression campaign using 10-wheeled trucks as mobile bases. Some Malaysian officials help the smugglers by informing them of the movements of Thai officials.

Mr Somchainuk Engtrakun, the director of the Region 1 Customs Checkpoint in Songkhla, told MATICHON that customs officials have been busy suppressing smugglers along the southern border for almost a year now. They have had to fight several mafia groups, including both direct and indirect mafia groups. Because of this, these mafia groups have used various stratagems and tricks to force these officials out of the southern border area.

Mr Somchainuk said that since 1 June, customs has moved officials from customs checkpoints in noncritical areas to areas where the situation is serious, such as along the border near Padang Besar. Plans have been revised as necessary in order to increase efficiency. Ten-wheeled trucks are being used as mobile bases. From these bases, checkpoint officials and Border Patrol Police carry on operations along the border 24 hours a day. Resolute action will be taken in every case. No mercy will be shown.

A news report stated that in smuggling goods near Padang Besar, the smugglers mock Thai officials. Because some Malaysian officials in towers give signals to inform the smugglers about the movements of the Thai officials.

Besides that, people have built many houses along the Thai-Malaysian border. This enables the smugglers to evade the customs officials and police. The smugglers leave the goods with villagers who live along the border. They then use 10-wheeled trucks to come get the goods at night. This is causing officials much worry.

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THAILAND

FORMER STUDENT LEADER THIRAYUTH COMMENTS ON CHAWALIT

Bangkok MATICHON in Thai 7 Jun 86 p 15

[Unattributed report: "Former Student Leader Says That the Army Must Improve Its Ideals"]

[Text] At a meeting, Mr Thirayuth Boonmee, a former student leader, spoke on the topic "The Army's New Line." The meeting was organized by the political economics group at Chulalongkorn University. Some soldiers feel that the firing of Gen Athit Kamlangek from his position as RTA CINC was tantamount to defusing a bomb or stopping the fire at the source and preventing this from causing a split within the military, which could have caused a crisis and led to violence or even a civil war.

"The fact that Gen Chawalit has stated that he intends to increase the army's efficiency and keep the army out of politics shows that he is aware of the problem that has arisen. Because the army will not be able to develop if it is tied to politics. And politics will not be able to develop if it is tied to the military. Gen Chawalit is a new-age soldier who will turn the military into a group of truly professional soldiers," said Mr Thirayuth.

Mr Thirayuth said that the military's involvement in politics has had serious effects on the military. Soldiers have viewed civilians and politicians as the enemy. Because of this, the military's political ideal has been the coup d'etat. The military has interfered in economics, and the position of minister of defense has been both a political and a military position. Powerful people have sought to hold this position. This problem must be solved by changing the military's ideals. The overlapping programs in the army and the cliques, classes, and the system of patronage, must be eliminated.

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THAILAND

EXPECTED CHANGES IN ARMY UNDER CHAWALIT LEADERSHIP VIEWED

Bangkok MATICHON SUT SAPDA in Thai 15 Jun 86 pp 4-6

[Unattributed report: "The Military Reform Line of Big Chiu"]

[Excerpts] A military news source close to Gen Chawalit Yongchaiyut revealed through various newspapers that as for structural changes, under Gen Chawalit the army will be particularly strict about the position of "attached to army headquarters." The number of personnel assigned to this position will be limited to 88. If a person retires from a nonessential position, the position will be left vacant.

Even though these statements were not made by Gen Chawalit himself, they provide a clear indication of what changes may be made in the army's structure in the near future.

A New Sign for the Army Under Gen Chawalit

Since he was appointed RTA CINC on 27 May, Gen Chawalit Yongchaiyut has made several statements that reflect the army's new ideological dimension. He said that the "army will focus on carrying out the tasks assigned it." And, the "army will try to stay out of political matters that do not concern it and that are not its responsibility."

The RTA CINC will be required to reveal his personal assets when he takes this position so that his personal assets can be audited correctly and fairly when he leaves this position.

Transfers and appointments will no longer be made independently. This will be done by committee in order to ensure fairness.

At the same time, an army news report stated that Gen Chawalit Yongchaiyut has ordered a work team to draft a set of army operating procedures based on the following four lines:

1. To unify the army within 2 years.

2. To make the army more democratic.

3. To increase the efficiency of army personnel, from privates to generals.

4. To implement a policy of frugality.

The news source said that 50 percent of the new recruits will be drafted using the old method. The other 50 percent will be selected from applicants of draft age. The purpose of this is to help put a stop to the corruption that takes place during the draft.

"The new soldiers will be taught other things besides how to use weapons. They will be taught about political, economic, and social matters, too," said the news source.

The Reform Line, the Visible Line

As for developing the thahan phran irregulars, which is the responsibility of Maj Gen Chatichaloem Lekphithak, this involves giving weapons training to civilians. This is being done using paramilitary forces. This also a way for the army to save a huge amount of money as compared with maintaining soldiers on active duty.

The thahan phran irregulars played an important role in smashing Khun Sa and driving him out of Ban Hin Taek, which is now known as Ban Thoet Thai. The thahan phran forces have expanded rapidly. At first, they operated just in those areas where the Communist Party of Thailand was active. The strategy was to use a "thorn to pick a thorn" in the struggle against the village forces of the Thai People's Liberation Army. But now, the thahan phran forces have become a vital element in every army area. In each army area, in addition to the personnel, intelligence, operations, logistics, civil affairs, and comptroller sections, there is now a thahan phran irregular section, too.

From this, it can be seen that the the thahan phran irregular forces will continue to expand. It is possible that they could form another division. They could become a combat support division that could reduce the number of personnel in other sectors.

As for administration within the military, the democratic atmosphere will become more lively, with the trend being to decentralize power. Not only will transfers and appointments be handled by committee, but the secret government fund and anticommunist struggle line will be handled by units and organizations. Everything won't be centered on the RTA CINC alone.

Administration by Committee, Democracy in the Army

The military structure has had great weaknesses concerning the appointment of people to certain positions, such as staff positions in the Office of the Commander, Army Headquarters, the position of special army operations officer, and the position of army specialist. People have been assigned to these positions as a reward or to help a friend rather than because of their suitability or skills.

In the past, just so a friend could be promoted to major general, the person was appointed staff officer attached to a commander. And a few days later, the person resigned his commission in order to take an important position in a state enterprise. And some people were assigned to these positions so that they could retire from government service with the rank of major general.

Gen Chawalit's proposal to have a committee play a role in discussing appointments will help close this loophole and put a stop to playing favorites and helping friends before they retire. This will help improve the quality of the army. The fact that there are 220 general officer slots does not stem from an expansion of the army. Rather, the main reason is that there are so many slots for special operations officers and army experts.

What the army will do during the time that Gen Chawalit Yongchaiyut is in command is something that many people are watching with great interest. As for whether the army will be filled with a spirit of democracy and/or develop based on having a trim force that sticks to its duties, this is not something that can be determined by looking at what is said. Rather, the decisive thing is what is actually done.

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CSO: 4207/282

THAILAND

EDITORIAL: PREM SPOKESMAN DEFAMED ATHIT ON ARMY SECRET FUND

Bangkok SIAM RAT in Thai 27 Jun 86 p 8

[Editorial: "A Harmful Statement About the Secret Government Fund"]

[Text] One person spoke about the army's secret fund in a negative way. That is, his statement was damaging to the Royal Thai Army. He said that people had used money from this fund illegally. For this reason, the army issued a statement informing the people about the rules and regulations that govern the use of this secret fund and explaining how expenditures are controlled.

The person who spread this report damaging to the army is none other than Mr Trairong Suwannakhiri, the government spokesman. He made this statement while campaigning for parliament in Songkhla Province.

The government spokesman issued a propaganda statement about the use of this secret fund, saying that people had used money from this secret army fund for political purposes. He said that they had used the money to bribe MPs to vote against the government acts submitted to parliament and that this succeeded. We feel that the government spokesman was intentionally trying to damage the reputation and honor of the former RTA CINC, Gen Athit Kamlangek. Because only the RTA CINC has the authority to authorize the use of money from this secret fund.

We are very upset that the government spokesman said this. Because following that, senior army officers were removed from their positions and transferred. We are happy that the new RTA CINC, Gen Chawalit Yongchaiyut, has shown an interest in this matter. We feel that such statements are intentionally aimed at damaging the army. Something should be done to counter this harmful propaganda. The new RTA CINC has ordered subordinates to consider what action can be taken to counter this harmful statement, which has smeared the army.

11943
CSO: 4207/280

ARMY RECEIVES NO ORDERS TO CLOSE ELECTION CENTERS

Bangkok SIAM RAT in Thai 13 Jun 86 pp 1, 12

[Unattributed report: "2d Army Area Won't Close Election Centers Yet; There Have Been Rumors but No Orders"]

[Text] The 2d Army Area stated that it has not received any new orders concerning the military election centers. It said that it is necessary to conduct a survey on the number of personnel who have the right to vote.

There has been much talk about whether the election monitoring centers established when Gen Athit Kamlangek was still the RTA CINC will be closed. Maj Gen Phaibun Hongsinlak, the 2d Army Area chief of staff, talked with SIAM RAT on 12 June about the military election monitoring centers. He said that he does not know too much about this. All he has heard is that Gen Chawalit Yongchaiyut, the RTA CINC, has ordered the centers closed. But he has not received any new orders. He does not think that there will be any problems, because the RTA CINC has stated that the military will not interfere in politics.

Maj Gen Phaibun said that the 2d Army Area is already conducting a survey on the number of personnel who have the right to vote. But the number isn't known yet, because the reports haven't been received. It is the duty of a unit commander to inform those personnel whose documents are not in order so that they do not lose their right to vote.

"We have warned people that if they want to vote, they must have things in order. We will carry on public relations activities to encourage everyone to exercise their right to vote," said Maj Gen Phaibun. He added that the election atmosphere in the zone of the 2d Army Area is very spirited, but the situation is peaceful and orderly.

A military news source from a combat unit told SIAM RAT that these military election monitoring centers aren't doing anything wrong and won't harm anything. The objective is to encourage soldiers and their families to exercise their right to vote. As for what is worrying people, no orders have been given.

The news source said that after his unit received orders to prepare forces to exercise their right to vote, his unit conducted a survey on the number of personnel who have the right to vote. It was found that only 30 percent were qualified to vote. The others did not have their documents in order.

"The objective is fine. This will increase soldiers' awareness about the election. But this might have alarmed the people," said the news source. He added that as far as the establishment of these centers was concerned, it didn't matter whether the order was a verbal or written order.

Lt Gen Charuai Wongsayan will announce the army's election policy on 13 June.

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CSO: 4207/280

PLANS FOR GOVERNMENT RICE BANK REVIVED

Bangkok SIAM RAT in Thai 22 Jun 86 pp 1, 2

[Unattributed report: "Government Plans To Spend More Than 1 Billion To Establish a Rice Bank To Help the Farmers"]

[Text] Farmers have hit the jackpot again. The government is preparing to establish a rice bank to help the farmers. More than 1 billion baht will be obtained from the oil fund, national bank, and commercial banks. The new government will be the one to approve this.

A news report from the Government House informed SIAM RAT that the present caretaker government headed by Gen Prem Tinsulanon has formulated a project to inject more than 1 billion baht to help the farmers. About 600 million baht will be obtained from the rice reserve fund. This will be added to 200 million baht from the Farmers' Welfare Fund and 200 million baht from the Rice Policy Promotion Measure of the Ministry of Agriculture and Cooperatives for a total of 1 billion baht. If this is not enough, the government will obtain additional funds from the oil fund or from the Bank of Thailand and various commercial banks.

However, this rice bank project must be approved by the government that is elected on 27 July. Thus, all that is being done now is to gather data for the new administration after it takes office.

As for this rice bank project, it has been said that the government must play a part because the farmers do not have any bargaining power. Even though the government has tried to raise rice prices by abolishing the various export fees and extending credit at low rates of interest to the rice mills and farmers' institutions, these things have not achieved anything. Paddy prices are still depressed, but rice prices that consumers pay are high and not in line with paddy prices.

Thus, the rice bank will purchase paddy from the farmers at a price approximately 10 percent higher than the market price. It will stockpile this rice for domestic consumption or mill the rice for export based on government-to-government rice sales contracts. Or it will have the rice packed in sacks for sale to people with low incomes at prices that are in accord with paddy prices. This will help the farmers and low-income families.

The objective is to help the small farmers and low-income consumers in the localities, who will be able to purchase rice at prices that are in line with paddy prices. It will also be possible to reserve paddy in order to ensure food security and help people in times of natural disasters.

As for where this will be carried out, important rice-growing provinces in each region will be selected in order to help farmers throughout the country. During the 1986/1987 annual wet rice season, the project will get underway in Chachoengsao, Ayuthaya, Lopburi, Suphanburi, and Nakhon Sawan provinces. This will then be expanded to other provinces.

The project board of directors will be composed of the deputy prime minister, who will serve as president of the board, the minister of agriculture and cooperatives and the minister of commerce, who will serve as vice presidents, and the under secretary of agriculture and cooperatives, the under secretary of commerce, the director-general of the Department of Agricultural Extension, the director-general of the Cooperatives Promotion Department, the deputy director-general of the Department of Foreign Trade, and others for a total of 18 members.

On 2 June, the cabinet passed a resolution approving the proposal by the Secretariat of the Prime Minister to allow the Marketing Organization for Agriculture (MOA) to spend up to 750 million baht to purchase second rice crop rice at prices 10 percent above market prices. If farmers sell more than 750 million baht worth of rice, the MOA can use funds from the Farmers' Welfare Fund and from the funds received from the project to pay for fertilizer with paddy. There are 100 million baht left in this fund. If the MOA runs a deficit in carrying out this project, this can be considered to be a default by deducting the amount from the Farmers' Welfare Fund before the money is repaid.

11943
CSO: 4207/280

MOVEMENT TO REDUCE AVERAGE AGE OF SECURITY CHIEFS DISCUSSED

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 11 May 86 pp 1, 4

[Article by P.V. (Reporter): Public Security Sector Brings Young and Talented People Into the Leadership Ranks of the Subward and Village Public Security Forces"]

[Text] The Board of Directors of the Municipal Public Security Forces has guided the ward and district public security forces in inspecting the leading public security cadres in the subwards and villages. Older cadres who are in poor health, who do not have the capabilities to carry out their tasks, who do not have adequate moral qualities, or who do not complete the tasks have been examined carefully one by one in order to assign them other jobs or provide a policy and replace them with young and capable cadres on the spot who have cultural standards and revolutionary morals.

To date, almost all the public security forces in the urban districts have made plans to replace a number of subward public security chiefs who do not meet the above standards. Based on estimates made in a number of wards, this reshuffle will lower the average age of subward security chiefs 7 to 10 years. In Precinct 8, the average age of the subprecinct security chiefs is now 42.16. This will decline to 33.45. In Go Vap, after replacing five subward security chiefs who were over 40 years old, the average age of the subward security chiefs was the lowest in the city. The average age of the subward security chiefs in Tan Binh Ward dropped from over 40 to 35.04 after the older comrades (the oldest was 54) were reassigned to other jobs. In recent years, the Precinct 11 public security forces have constantly worked to lower the age of the leading cadres at the primary level. Thus, although there was not very much "commotion" this time, the average age of the subprecinct security chiefs is the third lowest in the city.

In a number of precincts and wards, such as precincts 6, 3, and 10 and Binh Thanh and Phu Nhuan wards, the average age of the subprecinct and subward security chiefs is still relatively high. They are actively examining the cadre situation in their units and taking steps to solidify the forces of subprecinct and subward security chiefs.

Through this campaign to lower the average age of the subward and subprecinct security commanders, the municipal public security forces have gained much experience in reshuffling cadres. Although this was proposed many years ago, there are still units that have not done a good job. Some of the people who have been put in charge are as old as or even older than those whom they replaced. Those older cadres who are being replaced as subward and subprecint security chief during this capmaign will be assigned to suitable occupational units so that they can continue to manifest their capabilities and make use of their many years of professional experience.

11943
CSO: 4209/636

WAREHOUSE THIEVES CAUGHT IN TAM DIEP DISTRICT

Nam Dinh HA NAM NINH in Vietnamese 23 May 86 p 3

[Article: "A Harmful Theft"]

[Text] Under the direct guidance of the district party committee, the public security police of Tam Diep District recently discovered the theft of state goods at the Do Rao warehouse during the night of 18 April and early morning of 19 April 1986. The thieves tried to cover their tracks to deceive the security police organ. But with a strong spirit of vigilance and with the assistance of the people, the security policemen made clever use of professional measures and quickly dragged the criminals out into the light. Although the trial has not yet been completed, the evidence is clear. The people who directly "performed" the theft were two Do Rao warehouse keepers. Their accomplices included two doctors who were heads of sanitation-disease prevention stations of Tam Diep District and Tam Diep City. Many cadres and party members with positions and authority in a number of agricultural cooperatives in Tam Diep and Kim Son districts were also involved in the incident.

After uncovering the above-mentioned theft the public security police of Tam Diep have not only begun to recover for the state stolen goods worth more than 300,000 dong (new money) but are also capable of exposing additional negative phenomena in a number of relevant units.

The theft of state goods at the Do Rao warehouse was a very serious theft because it was an organized, calculated act. Furthermore, the goods the stole were strategic goods which had to be purchased abroad.

Along with the other districts, during the recent period Tam Diep District has gone all-out to promote exports. Even so, in 1985 the district earned only little more than 38,000 dollars. With such a small amount of foreign exchange, during the 1986 fifth month-spring season Tam Diep had to set aside 36,000 dollars to purchase insecticides for the fields. At a time when the fifth month-spring rice in Tam Diep was being seriously affected by insects and diseases and it was necessary to clean up the environment in order to guard against 10th month diseases, people who were responsible for watching over the warehouse and caring for the people's health, out of greed and disregarding morality, brazenly stole insecticide and DDT, without regard for the urgent needs of production and life. Their deed must be regarded as a crime and definitely must be severely punished to set an example for others.

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PHAM VAN DONG'S RECOMMENDATIONS SUMMARIZED

Hanoi LAO DONG in Vietnamese 22 May 86 p 4

[Article: "Summary of Recommendations By Council of Ministers Chairman Pham Van Dong"]

[Text] Today I will express to you several opinions of basic importance and hot topical significance, in order to contribute to enabling our capital's revolutionary movement to continue to undergo a strong and solid transformation.

1. First of all, it is necessary to purify the Hanoi party organization, resolutely expel degenerate elements from the party, enable the party organization to truly be worthy of being a leadership force, and enable the party organization's corps of party members to truly be exemplary vanguard revolutionary warriors.

2. It is necessary to promptly and appropriately deal with ugly, corrupt people and people who commit crimes in the party organizations, the state organs, the armed forces, and the other organizations.

3. The two tasks listed above must be carried out to ensure the quality of the self-criticism and criticism campaign that is now being waged, to meet the ardent demands of the great majority of cadres and the people, consolidate confidence in the party, and resolve bottlenecks so that our undertaking can be renovated and undergo a strong transformation. Of course, we cannot immediately eliminate all negative manifestations, but we must enable the masses to clearly realize that we will not tolerate, but will resolutely deal with, ugly, corrupt people, no matter who they are.

4. In order to implement our action program, there must be a seething and extensive revolutionary mass movement and we must work with discipline and productivity, and create wealth to support ourselves and contribute to the nation. In the present situation, such an extensive, strong mass movement can only be launched, consolidated, and developed by means of creating social consciousness, create confidence and hope on the part of the working class, and mobilize the revolutionary spirit and practical acts of the broad masses.

The capital must be exemplary in that regard. All units, from the municipal level down to the ward, district, subward, village, hamlet, and neighborhood levels, and in the schools, hospitals, organs, armed organizations, etc., must "sweep their houses" clean and enable the units to be wholesome and enthusiastically endeavor to advance.

At present, everyone in Hanoi and all Vietnamese must be optimistic, confident and pure, enthusiastically participate in production and other work, oppose corruption and negativism, and oppose suspicion and indifference, criticizing but not struggling, and not producing or working. Our entire party and population must have solidarity, unanimity, and unity of thought, act in accordance with the lines of the party, struggle with courage, intelligence, and creativity, overcome difficulties, and advance to the fore. We have valuable capital which was not easily obtained: Our party, our people, our regime, our recent history, our undertaking of today, and our brilliant future. It includes the strengths of an innately wholesome organism which has been wholesome throughout the revolutionary process and is still essentially wholesome. By bringing those strengths into play, it is certain that the socialist revolution in our country will win new victories. By bringing those strengths into play, it is certain that the working class and laboring people of Hanoi are certain to enable the city of being worthy of being the heroic, civilized, and beautiful socialist capital of the entire nation.

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HAI PHONG PARTY COMMITTEE ISSUES DIRECTIVE ON CONGRESSES

Hai Phong HAI PHONG in Vietnamese 23 Mar 86 pp 1, 4

[Article: "Standing Committee of Municipal Party Committee Issues Directive on Carrying Out Self-Criticism and Criticism, Holding Ninth Municipal Party Organization Congress and Congresses at All Levels"]

[Text] On 23 March 1986 the Standing Committee of the Municipal Party Committee issued a directive to the party organization regarding the carrying out of self-criticism and criticism and holding the Ninth Municipal Party Organization Congress and Party organization congresses at the basic and precinct levels.

The directive set forth the following time schedule. The Party organizations and party members will carry out self-criticism and criticism in April. The holding of basic-level party organizations will be completed in May or June, and in agricultural areas they must be held prior to the 5th month-spring harvest. The party organizations at the precinct, district, and corresponding levels will complete the holding of congresses in July or August. The Municipal Party Organization Congress will be held at the beginning of October 1986.

The directive stated that the Municipal Party Committee advocates doing a good job of carrying out self-criticism and criticism, and holding party organization congresses at the basic, precinct, district, and municipal levels will be combined with close guidance of the permanent tasks, especially the renovation of the economic management mechanism, the reorganization of production, the improvement of organization, the promotion of production, the expansion of distribution and circulation, the strengthening of social management, the creation of the new socialist man, the further stabilization of the economic-social and social psychology situations, strengthening security and national defense, and advancing to holding the Sixth Party Congress.

Prior to holding the congresses, the party committee echelons, leadership cadres, and party members must carry out self-criticism and criticism in order to strengthen the Party's ability to lead and organize implementation of its lines, strengthen unity with regard to thought and organization in the Party, improve the organization and discipline of cadres and party members, strengthen the relationship between the Party and the masses, and create conditions for receiving and doing a good job of implementing the resolution of the resolution of the Ninth Municipal party Organization Congress and the resolutions of the Party organization congresses at all levels. The basis for self-criticism and criticism is the viewpoints and lines of the party, the resolutions of the Party Central Committee, especially resolutions 7, 8, and 9, Resolution No 28 of the Political Bureau, and the resolutions of the Municipal Party Committee and its Standing Committee. Self-criticism and criticism must be strict, sharp, enlightened, truthful, constructive, and unifying. The higher echelon must set a good example for the lower echelon and the leadership cadres must set a good example for the party members. In addition to self-criticism and criticism it is necessary to apply corrective measures, create true transformation and progress, and strengthen the confidence of cadres, party members, and the masses.

The party organization congresses at all levels must concentrate on manifesting the intelligence and strength of the entire party organization by means of self-criticism and criticism and the correct evaluation of the local economic-technical situation, and the accomplishments and remaining deficiencies, learning lessons from successes and failures and clearly determine the economic-social goals, with specific, solid steps and a rapid pace in future years, in order to quickly conclude the initial phase of the transitional phase of constructing socialism, and contribute positively to the victory of the Sixth Party Congress. The Party congresses at all levels must be held in correct accordance with principles and in a practical manner, have high quality, be fully democratic, have new ways of thinking and working, be dynamic, creative, and effective, strengthen solidarity and creativity, bring into play the traditions and resolute combativeness, and be determined to implement correctly and victoriously the revolutionary viewpoints and lines of the Party, and implement all resolutions and directives of the Party and laws of the state in order build strong party organizations, enable the basic, district, precinct, and municipal levels to be rich and strong, make greater contributions to the state, and strongly defend the municipality and the socialist Fatherland. It is necessary to democratically bring into play the intelligence of the entire Party organization and respect all constructive opinions of party members and the masses.

The directive stressed motivating the entire Party organization to undergo a strong transformation with regard to ideology and organization, renovate the economic management mechanism, promote the scientific-technical work, practice economy, participate in drafting the economic-social strategies, create the new socialist man, and perfect Hai Phong's model for progress: "Being both a municipality with a modern port and a developed industrial-agricultural-maritime economy, and one of the tourism, service, commercial, and export-import centers, as well as a clean and attractive municipality with a civilized way of life and a steel anti-aggression fortress."

The directive also stated a number of specific requirements for party committee members to be elected by the party organization congresses at al levels, so that they can be capable of meeting the new requirements and to ensure the victorious leadership of all political-social missions set forth by the Congress. In electing cadres to the Party committees it is first all necessary to meet the requirement of improving the quality of economic leadership, while also ensuring the strengthening of leadership national defense, security, and the Party and mass work at the basic level and at the lower echelon, bring combined strength into play in accordance with the mechanism "The Party leads, the working people serve as the collective masters, and the state manages," and increase the number of party committee members whore workers, female cadres, young cadres, and cadres with managerial ability.

The holding of party congresses at all levels is a broad and profound political activity which must be closely led and guided by the party committees, sections, sectors, and mass organizations before, during, and after the congresses are held. Especially, there must be meticulous preparations, the organization of incisive explanations, and specific implementation plans. Attention must be paid to ensuring the safety of the congresses, especially the defense of the party's lines and viewpoints.

Guidance of the congresses must be closely combined with the permanent tasks, especially the major, key tasks. The holding of conferences must be used to further the permanent tasks, and we must avoid concentrating on guiding the congresses while neglecting the permanent tasks. On the other hand, it is necessary to use guidance of the permanent tasks to stabilize the economic-social situation in preparation for the congresses.

The masses must be motivated to give rise to a seething, continuous, effective socialist emulation movement to achieve accomplishments to celebrate the Sixth Party Congress, the Ninth Municipal Party Organization Congress, and the congresses at their level, to enable the exciting, enthusiastic atmosphere of the congresses truly encompasses all political, economic, and social activities of the city, and to enable the new thought, new attitude, new work style, solidarity, unity, and determination to act of the congresses to profoundly effect economic-cultural and social life, and the daily sentiment and will to act of al people in the city and of all echelons, sectors, and organizations, with clear struggle goals and specific results in production, commerce and other work. All sectors, echelons, units, and individuals must have a project or a task to celebrate the Congress, especially results with regard to renovating the management mechanism, stepping up production, commerce, and home trade and foreign trade activities, achieving a high-yield 5th month-spring harvest, producing many new products to serve domestic consumption and exports, and transforming market management, stabilizing prices, and organizing living conditions.

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PARTY ACTIVITIES AND GOVERNMENT VIETNAM

EDITORIAL CALLS FOR STRICT SELF-CRITICISM, CRITICISM

Hai Phong HAI PHONG in Vietnamese 28 Mar 86 pp 1, 4

[Editorial: "Carry Out Strict, Sharp Self-Criticism and Criticism With a Strong Sense of Responsibility"]

[Text] Carrying out the directive of the Secretariat of the Party Central committee, the Standing Committee of the Municipal Party Committee recently issued a directive on carrying out self-criticism and criticism in the Party and on holding the Ninth Municipal Party Congress and party congresses at all levels.

That is an extremely important task, and vast and profound political activity of the municipal party organization. The party committee echelons and the sectors must provide close guidance and ensure high quality for the party congresses at all levels, and must first of all do a good job of organizing the self-criticism and criticism in the process of preparing for party congresses at all levels is to evaluate and gain experience from the tasks that have been carried out since the previous congresses, in order to increase the ability of the party to lead and organize the implementation of lines, strengthen unity with regard to thought and organization in the party, raise the level of cadres and party members, especially their ability with regard to economic management and state management, while at the same time reorganizing, correctly assigning cadres, and improving working methods. By means of self-criticism and criticism we can evaluate and observe cadres correctly and comprehensively, on the basis of which to create conditions for accurately selecting people to participate in party committee echelons in the future and to select delegates to the party congresses at all levels.

In order to do a good job of carrying out self-criticism and criticism, the echelons and sectors must, on the basis of the viewpoints and lines of the party, the resolution of the Fifth party Congress, the resolution of the eighth Municipal Party Organization Congress, the resolutions of the Party Central Committee, the Standing Committee of the Municipal Party Committee, and the resolutions of their party organization echelon in order to review and evaluate the implementation results, point out the reasons for success or failure, and analyze the good points, deficiencies, and mistakes. With regard to the deficiencies, it is necessary to clearly determine the responsibility of each element and individual.

All party members and cadres in charge of the echelons and sectors on up must review the fulfillment of the missions and tasks assigned since the last Party Organization Congress. all individual party members must both pay attention to examining their adherence to the lines and viewpoints of the party and strictly take stock of their responsibility as party members, their consciousness of organization and discipline, their dynamism, creativity, and courage in organizing implementation, their concern for the lives of the people and the party building work, their revolutionary moral qualities and virtue, their work styles etc. In the present political activity campaign it is necessary to strictly criticize bureaucratism, sluggishness, laziness, subjectivity, the violation of party discipline and state laws, etc.

Self-criticism and criticism must be strict, sharp, self-enlightened, objective and truthful, and constructive and unifying. Self-criticism and criticism must help everyone increase their revolutionary offensive will to do a better job of fulfilling their missions in the future. The upper echelon must set a good example for the lower echelon and the leadership cadres must set a good example for the party members. In addition to self-criticism an criticism, corrective measures must be applied, clear transformation and progress must be created, and the confidence of the cadres, party members, and masses must be strengthened.

The organization of self-criticism and criticism throughout the party requires the echelons and sectors to carry out those tasks very urgently and complete them before April 1986, at a time when our municipality has many things to do, so the echelons and sectors must closely combine guidance of the permanent tasks, especially the key tasks, with guidance of the organization of self-criticism and criticism, hold party congresses at all level, use the good organization of congresses to further the permanent tasks, and not regard the permanent tasks lightly because of concentration on holding the congresses, but must use guidance of the permanent tasks to stabilize the economic-social situation and advance to holding the congresses.

The results of the self-criticism and criticism campaign in preparation for the party congresses at all levels will signify a new step toward maturization by the party and will give rise to a new spirit, new thought, a new spirit, new thought, a new style in the party, new confidence among the people, and determination to advance the enterprise of building and defending the socialist Fatherland and building and defending the municipality to the winning of many new victories.

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HO CHI MINH CITY OFFICIAL SPEAKS ON NEGATIVISM

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 22 May 86 pp 1, 2

[Speech by Nguyen Van Thuyen, a member of the Municipal Party Committee, Head of the Internal Affairs Section of the Municipal Party Committee, and Deputy Secretary of the Municipal People's Committee, at the Fourth Session of the Municipal People's Committee, Eighth Term, 9 and 10 May 1986: "Struggle Against Internal Negativism is a Very Urgent Requirement at Present"]

[Text] All of us acknowledge that since the municipality was liberated, especially since 1980, our municipality, carrying out the resolutions and directives of the Party Central Committee and the Council of Ministers, our municipality has taken many steps to prevent and fight against negative evils within the organs, mass organizations, and society.

By means of specific data and facts we can prove that at all times and in all places in which the struggle against negativism has attained results negativism, especially corruption, collusion, bribery, arrogance, and bullying the masses, has been limited and repulsed.

However, at present negativism in many forms is widespread in all spheres and is causing great harm in many respects, is causing considerable loss of state wealth, and is weakening the strength of the proletarian dictatorship and eroding the confidence of the masses in our regime. In comparison to the situation and the requirements, the results of the struggle against internal solidarity are still too small.

We will discuss below a number of things learned by research by the Internal Affairs Section of the Municipal Party Committee.

Harm Done By Negativism

At present, internal negativism, usually manifested specifically in the following specific forms, have caused inestimable harm:

1. It has reduced revolutionary ardor and the will to struggle to fulfill the revolutionary missions. The revolutionary ardor and struggle will of a considerable number of cadres and party members have declined, which has led to the lack of a sense of responsibility and a lack of consciousness toward

organization and discipline and not strictly carrying out the directives and resolutions of the party and the laws of the state. The situation of arbitrariness, partialism, laziness toward work, and not ensuring productivity, quality, and effectiveness has been very widespread.

In the sphere of managing materials, raw materials, fuel, grain, food products, etc., the lack of a sense of responsibility has resulted in damage, waste and losses and has caused extremely great harm, in some cases the loss of millions of dollars.

In the administrative sector, the situation of working halfheartedly, of work not being thoroughly resolved, or of not studying and investigating, has led to tasks being performed not in accordance with the truth and contrary to policies and laws, which has eroded the confidence of the people in the revolutionary administration.

2. The evils of administrative bureaucratism, arrogance, and seeking vengeance against and bullying the people and the lower echelon cadres and personnel. A number of cadres with positions and authority in the state apparatus, especially in the organs of authority, including a number of ordinary cadres and personnel, have abused their authority and acted contrary to the policies and allowed wealthy people to be exempted from the policies while poor workers are squeezed or oppressed, which adversely affects the superiority of socialism.

The evils of seeking vengeance against or bullying subordinate cadres and personnel and the people have caused considerable harm. There are even places in which factions have formed to seek vengeance against people who do not cooperate.

In 1985 the municipal inspection sector received 11,000 complaints, 18.3 percent of which concerned the following cases: illegal imprisonment (3.6 percent), forced expropriation of the people's property (13 percent), and illegal termination of work (1.7 percent).

3. Violating socialist property and deliberately acting contrary to policies for personal benefit and to accept bribes. Socialist property is seriously violated by means of many sophisticated, wily, and brazen forms and schemes.

Between the beginning of the implementation of Resolution No 128/HDBT of the Council of Ministers (September 1982) and the first quarter of 1985, according to incomplete statistics, the functional sectors discovered more than 3,000 incidents which cause losses amounting to more than 1 billion dong.

According to a report of the municipal public security sector, in 1985 there occurred 426 incidents which caused losses amounting to 2.71 million dong). Of 380 defendants, 222 were cadres, workers, or civil servants.

Of 400 investigations carried out in 1985 it was discovered that the amount of illegally obtained cash was 45.6 million dong (5.7 million of which were recovered). Of the violators 300, or 70 percent, were cadres with positions and authority.

A considerable number of production and commercial bases and organs which manage money, goods, and materials, hiding under the "three benefits" signboard, have deliberately violated policies, colluded with dishonest merchants and bad elements in society, and slipped state goods and materials to the unorganized market for the private merchants, speculators, and people engaged in illegal commerce, in order to take advantage of price disparities and share profits.

In October 1985 alone the people's procurator sector inspected 207 units of the small industry-handicrafts sector and uncovered 377 violations of law for personal profit, and had to recommend the disciplining of 103 cadres and personnel who had violated laws.

Between 1983 and the first quarter of 1985 the functional organ prosecuted 547 of 1,123 cases that were uncovered. Of the 1,277 defendants who were prosecuted, 81 were party members, 5 were directors or deputy directors, 66 bureau heads and deputy heads, and 722 cadres and personnel. The rest were dishonest merchants and bad elements in society.

It may be said that bribery is widespread and takes place in many sophisticated or brazen forms and in many spheres of life, especially in student recruitment, assigning jobs, population registration, military obligation fulfillment, the distribution of housing, tax collection, etc. In a considerable number of cases cadres, workers, and civil servants have accepted bribes to slip goods and materials to the speculators and black marketers in society, or accept bribes to cover up for or tolerate people who engage in illegal livelihoods.

It must be pointed out that the evil of bribery is usually accompanied by the evils of authoritarianism, bureaucratism, and arrogance. It corrupts cadres, harms the state management mechanism, renders ineffectual the policies and laws of the state, and causes a serious loss of confidence among the people.

The evil of gift-giving is also very dangerous. Normally, people who are engaged in illegal livelihoods, speculators, and sycophants use that form to create an "umbrella" in order to hide their crimes, or bullying the masses to attain their ugly goals. That form of negativism is also very widespread and serious, and is causing dissatisfaction internally and among the people.

4. Living a libertarian life and pursuing base individual pleasure. a considerable number of cadres, workers, and state civil servants, including a number of party members, due to a lack of moral steeling and failure to maintain their revolutionary virtue, have fallen victim to the luxurious, decadent way of life, unregulated conduct, drunkenness, dressing elegantly, and pursuing money, women, and all other kinds of material things, which leads to negativism and gradually to degeneracy and committing crimes and violations of party discipline and state laws.

Those things are sabotaging the prestige and name of our revolutionary party and state.

5. Negativism in the struggle against negativism. This is a case people with indifferent, unconcerned attitudes who shun the struggle against negativism. They are aloof and are not concerned with losses caused to materiel, people, and the prestige and name of the party and state. They dare not defend what is correct or struggle against what is incorrect.

That form of negativism is also very dangerous because it affects many people and directly supports the other negative evils. It leads to a fading of ideals and the gradual loss of the combative, revolutionary spirit of party members, cadres, workers, and civil servants in the revolutionary state. Furthermore, it will become a natural ally of the negative evils. It will not only prevent and repulse the negative evils but will unintentionally help them to increasingly develop.

That form of negativism will cause increasingly more serious consequences since some cadres with positions and important authority in party and state organs, who are and have been the sources of support allowing the negative evils to exist and develop, so that bad people can take advantage and run rampant despite public opinion and the law, and cause increasingly more serious harm. Public opinion is very dissatisfied and sometimes angry, but social opinion is not yet able to resolve that evil.

The Principal Reason for the Negative Situation

The situation of internal negativism still being widespread and serious, as discussed above, is due to many reasons, especially the imbalance between supply and demand, at a time when management is lax and provides many openings, thus creating conditions for negative phenomena to arise and develop.

2. The vestiges of the old regime are very serious, especially the negative manifestation of the way of life of pursuing unjust personal wealth and making money the highest principle of life, which have strongly affected the thought and sentiment of some party members, cadres, workers, and civil servants, and leads to the situation of widespread and serious negativism.

3. The ideological education cadres, party members, and the laboring people is still being regarded lightly and relaxed. Education is not accompanied by the economic and administrative measures. In places and at times there has been failure to strongly develop the collective mastership will and ability of the masses, to resolutely condemn negative phenomena, or to resolutely struggle to defend the truth and punish the criminal acts.

The situation of relaxation, weakness, and deficiency in ideological education and internal management has also led to the situation of some cadres and party members declining in moral quality and degenerating.

4. The work of economic organization and management and internal management is still beset with many weaknesses and deficiencies as resolutions 6, 7, and 8 of the Central Committee pointed out: "The situation of maintaining the bureaucratic-subsidizing mechanism, and serious conservatism and sluggishness, has been prolonged. There is dispersion with regard to organization and

discipline, localism, pursuing personal benefit, not resolutely stopping the situation of rightism, a serious lack of vigilance in the struggle between the two paths, a relaxation of the proletarian dictatorship, a relaxation of management in many regards, expecially on the distribution-circulation front, failure to strictly apply laws, and the organizational and ideological work is still beset with many deficiencies." The consequences of the bureaucratic centralism-state subsidy mechanism have created many openings for internal negativism to arise and develop.

Furthermore, in places and at times the management work has not been tight in a considerable number of organs and units, the mechanism of "the Party leading, the state managing, and the people serving as the masters" has not been effectively brought into play, and the situation of absolutism, dogmatism, creating division, and factionalism, is rather widespread.

In the sphere of struggling against internal negativism, the struggle is not yet deep and has not struck accurately and strongly against the licentious, degenerate people, or people who lack a sense of responsibility and cause serious consequences. In places there have even been instances of covering up for them. coordination in actions among the responsible sectors and organs is not yet tight, unified, and comprehensive.

5. An important reason is the destruction caused by the multifaceted war of destruction waged by the Chinese expansionists and hegemonists, in league with the U.S. imperialists, against the Vietnamese revolution. They have caused heavy damage to our people's economy, morale, virtue, and way of life.

But we do not yet fully understand that the struggle against negativism is part of the struggle against the two paths, and that it is at the same time part of the struggle against the enemy's multifaceted war of destruction.

6. The struggle against negativism is still beset with many deficiencies: in recent years the struggle against internal negativism has achieved many great, notable results, but has also revealed many shortcomings and deficiencies. The tasks, from taking the initiative to prevent internal negativism to grasping the situation, and investigating, uncovering, and disciplining, have not been carried out resolutely and thoroughly. Many people with negative conduct who must be struggled against and condemned have not yet been exposed, but have even been protected so that they can have conditions for abusing their power, living outside the control of the law, and continuing to commit crimes. Many people who have positively struggled against, uncovered, and denounced criminals have not been protected but have even been suppressed and bullied.

The "umbrella" evil has been condemned by public opinion because it is an important obstacle in the struggle against negativism. It has neutralized the positive factors in the movement against negativism.

The above-mentioned factors are related to and affect one another. But it must be emphasized that the struggle against internal negativism has not attained high effectiveness because of our deficiencies and weaknesses in ideological education, in internal management, and in economic-social management, and because discipline and the law are not truly strict and fair.

Urgent Measures To Promote the Struggle Against Negativism

On the basis of analyzing and evaluating the struggle against negativism in recent years in our city, as discussed above, we recommend the following urgent measures to promote the struggle against negativism:

1. Stress political-ideological education:

It is necessary to pay all-out attention to political-ideological education:

It is necessary to pay all-out attention to political-ideological education and to enabling everyone to clearly understand:

a. The present difficulties and advantages of our country, in order to bolster confidence in the nation's future, preserve revolutionary ideals, and on that basis in crease revolutionary ardor and the will to struggle, forge moral qualities, and maintain the revolutionary virtues of "diligence, integrity, and impartiality."

b. In order to successfully build socialism and strongly defend the Vietnamese Fatherland, the struggle against negativism cannot be regarded lightly.

It is necessary to affirm that the struggle against negativism is part of the struggle against the enemy's multifaceted war of destruction.

c. Cause everyone to clearly realize that negativism is sabotaging our people's beautiful, happy life.

The evil of negativism has inflicted much political, economic, and social damage on our country.

Therefore, it is necessary to affirm that the struggle against negativism is an urgent mission of the entire party, army, and population in the present situation.

2. Cause everyone to clearly realize that negativism is sabotaging our people's beautiful, happy life.

The evil of negativism has inflicted much political, economic, and social damage on our country.

Therefore, it is necessary to affirm that the struggle against negativism is an urgent mission of the entire party, army, and population in the present situation.

2. It is necessary to strictly eliminate the bureaucratic centralism-state subsidy administrative mechanism and rapidly perfect organization:

The prolongation of the bureaucratic centralism-state subsidy administrative mechanism has resulted in many consequences which have impeded the progress of the great task of national construction. Resolutions 6, 7, and 8 of the Central Committee pointed out the shortcomings and deficiencies of that mechanism, while at the same time setting forth a direction and measures for overcoming them.

The Municipal People's Committee also concentrated on guiding the renovation of the mechanism.

Therefore, the elimination of the bureaucratic centralism-state subsidy mechanism must be strictly implemented. But the present task of perfecting organization in all sectors and echelons must be based on a truly strict self-criticism and criticism campaign in order to objectively and correctly evaluate all party members, cadres, and personnel, on the basis of which to assign and deploy party members and ensure that those occupying leadership positions in the important elements and key links meet moral and ability standards.

It is necessary to be careful, but also to very boldly and resolutely eliminate from responsible positions party members and cadres who are lacking with regard to moral qualities and virtue, who engage in negative acts. When implementing the policy of reducing personnel staffing, it is first of all necessary to resolutely eliminate from the state apparatus party members, cadres, and personnel with negative acts and an authoritarian work style, who cause inconvenience for the people, and who lead a depraved, debauched way of life, and seriously violate the revolutionary work style and virtues.

The people's councils at all levels must not allow cadres who commit negative acts, who are degenerate, and who do not maintain revolutionary qualities and virtues to be elected to organs of authority, or dismiss them.

3. It is necessary to maintain strict party discipline and the fair and strict nature of the law:

At present there exists in the city a situation described by the resolution of the Fifth Party Congress: "There has been tardiness in strengthening the socialist legal code, laws and discipline have been relaxed, and the struggle against acts which violate the law and social evils lack resoluteness and thoroughness."

The prolongation of the situation of discipline and laws not being strict is also a factor which has limited the results of the struggle against negativism. Many legal documents of the state and many decisions of the Municipal People's Committee have not been strictly implemented or not implemented at all. There are even some instances in which law violators have been protected and true workers who protect the law are harassed and bullied. That situation has created an unusual social psychology, exerted and adverse influence, and reduced the confidence and revolutionary ardor of the people.

In the immediate future, we recommend concentration on the good resolution of the following two aspects:

1. Negative evils are seriously widespread and are tending to develop. Everyone knows that, but few negative people are exposed. Discipline and laws have been relaxed. Everyone complains, but then looks the other way.

Now, first of all it is necessary to strengthen management discipline. The echelons and sectors must coordinate closely with one another and resolutely not allow any negative act to go undetected or unpunished.

It is necessary to strictly forbid, promptly deal with, and closely monitor the various forms of gift giving of a "bribery" nature, which results in other negative evils.

2. We must resolutely condemn and struggle against all negative acts. At the same time, we must resolutely and bravely struggle against all negative acts and eliminate, by all means, the attitude of halfhearted struggle, which is spreading openly and extensively among everyone. By means of the strength of the entire mass movement, we must destroy the evil of "umbrella" protection, which is widespread and is an important impeding force. Due to the evil of "umbrella" protection, a considerable number of people have avoided punishment according to law and still live unmolested by means of illegitimate incomes and property. There are even people who receive raises and promotions and gain additional authority, then turn around and harass and bully the people who denounce them.

At this time, now more than ever, we must work together to resolutely maintain strict and fair party discipline and state laws; as well as the educational nature of the party and the laws of the state.

In order to fulfill our responsibility toward the party and the people, we respectfully recommend that the delegates, with their functions and authority within the sphere of work assigned to them by the party and the people, set forth the most urgent and effective measurer, resolutely lead, guide, oversee, control, and supervise the implementation of the struggle to stop and repulse the evil of internal negativism in our city's social life.

We are confident that with the responsibility and conscience of a popularly elected organ, and with the determination of the people's committees at all levels, we will give rise to a strong struggle movement among all strata of people, cadres, workers, and civil servants, as well as among all party members in our city. In the immediate future, it is necessary to strongly motivate the people to contribute constructive opinions to the party and the governmental administration during the present criticism and self-criticism campaign.

We are certain to be fully capable of repulsing, restricting, and overcoming the negative phenomena in order to contribute worthily to fulfilling the two strategic revolutionary missions set forth by the party: successfully building socialism and strongly defending the socialist Vietnamese fatherland.

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FORUM ON BUILDING DEMOCRATIC LIFESTYLE

Hanoi DAI DOAN KET in Vietnamese 9 Apr 86 pp 10, 6

[Article by Thu Phuong: "Forum: Building a Democratic Way of Life"]

[Text] Editor's note--To continue fostering the people's right to mastery, and zealously contribute to building a democratic way of life in society, DAI DOAN KET recently organized a forum with the participation of cadres from some legal agencies, sectors, and mass organizations to:

--Review past efforts at building a democratic lifestyle,

--Examine remaining obstacles and their origins, and

--Put forward suggestions and petitions.

Some statements at the forum are excerpted below.

Close Gap Between People and State (by Tran Quang Nhat, retired cadre, Van Chuong Subward, Hanoi)

It may be necessary to discuss the erosion of democracy in recent years despite the fact that the people and the state unanimously share the same views. As a result of that erosion, the bad is often mixed with the good, and sometimes it is the former that rules the roost.

In response to the situation, some people display indifference; others crippled by incompentence cannot distinguish between opportunism and the eagerness to be useful to society; and still others are led by pessimism and dissatisfaction into ideological debauchery, weak political awareness, empty talk, and across-the-board repudiation. Of course, those who do their utmost to tell the truth still exist.

In my opinion, the culprit is the lingering system of state subsidies and bureaucratic centralism. Another cause is the degeneration of some CPV members because the party is in power and because peace prevails. Since they are neither interested in self-discipline nor subject to control and indoctrination, they are more inclined to stay away from the masses. Moreover, considerable procrastination and stagnation in solving offenses against democracy still mar state legal organs. The press has not yet become a dictatorial tool and has not really engaged in thorough criticism, still reserving ample space for achievements.

To redress that situation, I suggest the following:

The party, state and organs should strive--not only with words but with tangible deeds--to close as much as possible the gap between the people and the states and between cadres and those in the leadership. Some sectors and installations should discontinue nonessential official procedures to serve the people with maximum promptness. And the people's voice should reach the ears of the party and state as promptly as possible.

The party and state should stimulate the masses to criticize "revolutionary mandarins" in the ranks of state cadres from top to bottom. On that basis, they should purify the contingent of vocational and managerial cadres, protect the honest voices of honest people, and speedily solve lingering injustices and grievances.

To respect and achieve the people's right to mastery, the press should vigorously air their constructive criticisms, thus enabling the party, state, echelons, and sectors to know the truth and take remedial steps.

Citizen Sense of Self-mastery (by Nguyen Thi Tai, Department of Civil Affairs, Supreme People's Organ of Control)

I agree with the assessment that our democratic rights are being violated.

We specialized in solving denunciations regarding political security and penal and civil affairs. However, the solution process still appears as a big "fly in the ointment." The practice of referring petitions to a succession of organs without paying attention to them is widespread (for instance, one citizen has received not one answer to the 155 petitions sent out by him). But the main stumbling block resides not in a tainted judicial sector (bribery, gifts, etc.), but rather in a faulty managerial system and improper decentralization.

I would like to stress another aspect--the citizen's sense of self-mastery. In my judgment, this is highly necessary and important.

There are, for example, cases of wives hurting their rivals in a fit of jealousy because of their inability to keep their countenances and address their matrimonial problems tactfully. These wives stand to "lose" their husbands anyway, and have to go to prison for aggravated assault and battery, thus leaving their children unattended.

The sense of self-mastery in each citizen must be raised even higher. This is an important measure designed to reduce attempts to violate democratic rights due to failing self-mastery and ignorance of the law.

It should be added that, at present, political propaganda and the indoctrination and dissemination of legal knowledge do not pan out very well. Mass organizations should pay more attention to that endeavor.

Heighten the Role of the Fatherland Front (by Do Huy Thuc, Legal Affairs Department, Vietnam Fatherland Front Central Committee)

Since our country is laboring under difficulties, I believe it is emphatically important to build a socialist democratic way of life. If this is not properly done, we will lack strength and can neither foster enthusiasm nor mobilize the entire society to carry out more demanding tasks.

To those ideas expressed by my comrades on some causes for the ongoing erosion of democracy, I would like to add mine. In a system led by the party, managed by the state, and owned by the people, the administration is a major body that should be managed according to democratic principles, and government officials should reflect most clearly the democratic nature of society; instead, due to inadequate indoctrination, some people have given free rein to a penchant for authoritarianism and arrogance.

As far as the people are concerned, building a democracy is in itself an extremely arduous revolution requiring all of them to do their utmost. Currently, the government is ours, but the people still lack the necessary knowledge and habit of fostering democratic attributes in an organized manner. Millions of people's hands, brains, and eye are needed everywhere in the nation to control and help the party and state build society.

Since it is the broadest social organization and a link between the people and the party, the Fatherland Front should play a great role, that of fostering the people's right to collective mastery. In concrete terms, it should use various extensive forms of propaganda to acquaint citizens with their prerogatives and obligations, as mandated by law. In return, its basic organizations can fathom the people's suggestions and aspirations and help them zealously build society and the new man.

By doing so, the Front's installations can help million of citizens assist the party and state in battling authoritarianism, bureaucratism, and aloofness from the masses.

"Do You Take up Higher Studies in Order To Quit Teaching?" (by Trinh Thi Bich Ba, Trung Vuong General School)

As a general-school teacher, I heartily welcome the broad exchange of views held by DAI DOAN KET on a democratic lifestyle, with numerous readers participating. In our opinion, this issue provides abundant food for thought.

There is no erosion of democracy in the teachers' lives at my school, because it is located in the heart of the city and is an outstanding progressive institution. Its teachers are united, share the same views, and are eager to foster their right to collective mastery in all academic activities.

But, at other schools, even those in the Hanoi suburbs and within the city, the practice of harassing teachers, misapplying policies and procedures toward teachers, and violating the right to mastery in the educational sector exists. Although I do not want to mention specific cases, I must say that some of these abuses are rather serious. But even if no violations have been committed, teachers are still unable to master their own destinies. Item: Teachers are supposedly entitled to supplementary education; nevertheless, as general-school teachers, we are permitted only to attend vocational training courses and schools held by the sector, from which those with "standard" degrees (for instance, a teachers college degree for grade-II instructors) are excluded to make room for "substandard" teachers. And it is out of the question for us to enroll in out-of-sector studies (for example, to sign up for a university correspondence program, etc.) As far as I know, in other countries general-school, kindergarten, and primary-school teachers are allowed to prepare theses for high diplomas and conduct research, etc., provided that they are willing to move forward while fulfilling their duties. Our educational sector creates no conditions for teachers to master themselves and move ahead. Those applying for higher studies would hear the following response: "Do you take up higher studies in order to quit teaching? Then, what about the student's "right" to mastery at school? And what "rights" do teachers have in dealing with students and parents. A multitude of problems relating to that right still affects our schools. Many people believe that schools and teachers often treat students in an "authoritarian" and "repressive" way. However, we teachers sometimes feel incapable, even having no authority to punish students for negative activities, since we are authorized only to educate and persuade them, and "invite" them to study and promote them to upper classes--a privilege of which they are not worthy.

My comrades said that widespread violations of the right to mastery stem from aberrations in the organization, structure, and policies of society. Serious aberrations create conditions in which negative phenomena can germinate and develop. Hence, the structure, policies, and organization should be redressed. I agree with that view, but I think we should pay more attention to educating people about the sense of mastery. In fact, the sense of mastery calls for respect for human dignity and a proper relationship between individuals and society. If we lack that sense, we will infringe upon the democratic rights of others, or let our own democratic rights be violated. While observing negative phenomena and abuses of democratic rights in life, I usually give much thought to that problem. Then I realize with added strength that the task of educating and training the new man is extremely important.

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UNIT PRAISED FOR EFFECTIVE CRITICISM SESSION

Hanoi QUAN DOI NHAN DAN in Vietnamese 26 May 86 p 2

[Article by Vu Manh Tuong: "An Effective Criticism Meeting"]

[Text] I arrived to begin work at border defense post 04 in province T at a time when the party chapter was holding a criticism and self-criticism meeting under the guidance of the upper-echelon party committee. During several consecutive sessions the party members criticized themselves and brought out all of their good points and deficiencies. After Captain H, deputy commander of the post, completed his self-criticism the post commander contributed the following opinion:

"So that the party chapter can correctly evaluate the deficiencies of deputy post commander H, I would like to further discuss several points. Comrade H was assigned responsibility for the unit's rear services. In the course of an investigation we discovered that many expenditures were contrary to principles, and that there were no documents or invoices for thousands of dong. On his own accord he sold two tons of fish that had been caught by the unit to a private merchant at prices two or three times higher, but the sale was recorded in the books at state commercial prices, so where did the difference go? What was it spent on? Secondly, in managing the unit's technical facilities and materials he was very arbitrary and irresponsible. After the boat returned from patrol he did not organize the men to repair it, but allowed it to remain ashore for months, so that it was damaged by wood borers and rust, which cost the state treasury thousands of dong."

As soon as the post commander finished speaking the party chapter secretary immediately contributed an opinion:

"I believe that the party organization and all of us party members had a part in comrade H's deficiency. Why, when we knew that comrade H was spending irresponsibly, did we not investigate and make corrections immediately, but allowed the situation to continue all year? The party chapter resolution called for open monthly economic meetings to review the fish harvest and fish sauce production, but we failed to do so. In part, it was because we gave comrade H a blank check, and in part because we didn't want to rock the boat. As for his selling two tons of fish to the outside, comrade H was entirely incorrect and the party chapter must apply appropriate discipline."

The secretary continued:

"The party chapter resolution at the beginning of the year stated that the fish caught by the unit must be sold to the state, in exchange for such goods as nets, light bulbs, fishing equipment, etc., in order to serve production. Comrade H abused his authority in acting contrary to the party chapter resolution. Did he not know that doing so helped the dishonest merchants disrupt the market? His maintenance of weapons and technical equipment and the damage done to the patrol boat, which cost the public budget thousand of dong, were direct deficiencies of comrade H, but then were deficiencies of the commander, who failed to exercise supervision and control and did not bring into play the role of the broad masses in mastering facilities and materials.

Following the opinion of the secretary, many other party members analyzed the reasons for the mistakes of deputy post commander H and discussed corrective measures. The upper-echelon representative who monitored the criticism and self-criticism meeting of the party chapter of post 04 contributed his opinions to the party chapter.

With regard to the deficiencies of comrade H, the party chapter's analysis was very clear. In my opinion, the reasons for those deficiencies were that H refused to discipline and cultivate himself but allowed money to control his actions, which led to a decline in his moral quality and ability, to his working haphazardly and carelessly, and to his making expenditures contrary to principles. Objectively, it must also be realized that the party chapter, the party chapter committee, and the commander did not investigate and apply prompt corrective measures. The party chapter issued a resolution but it was not enforced. It did not investigate to find out what had been done and what had not been done, and allowed deficiencies to continue for years on end. That is also a reason why H feel deeply into mistakes. Thus all of us party members must strictly criticize ourselves.

Finally, the party chapter passed a unanimous resolution calling for the elimination of that situation. First of all, the post needed to set up an "economic committee" to monitor the money, documents, receipts, and expenditures of comrade H, who had to make reimbursement for improper expenditures. For selling two tons of fish on the outside, comrade H had to appear before the military council for criticism and recovery of the price differential. Second, from then on the party chapter would permanently maintain the system of weekly party cell meetings and monthly party days to carry out criticism and self-criticism in a practical manner in order to strengthen internal solidarity in the party and promptly correct errors. Third, the border defense post should not deep such a large sun of money, but only a small amount, as determined by the upper echelon. Every month it had to report on its funds to the upper echelon financial officer in order to unify expenditures.

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HANOI DISTRICT CARRIES OUT SELF-CRITICISM, CRITICISM

Hanoi NHAN DAN in Vietnamese 6 Jun 86 pp 3, 4

[Party Building column by Hoang Trung: "Thanh Tri Party Committee Carries Out Self-Criticism and Criticism"]

[Text] The party committee of Thanh Tri District in Hanoi selected the party organizations of Yen So village, the district public security police, the grain corporation, and the food products corporation as models in carrying out the first self-criticism and criticism cycle and gain experience in order to provide common guidance and, by that means, investigate and evaluate the moral quality, leadership style, and cadre policy of the district party committee.

Looking Directly at the Truth

For many consecutive years Yen Son had been an agricultural cooperative in the municipality of Hanoi that was outstanding in many respects. Every year the cooperative sold to the municipal commercial sector between 360 and nearly 500 tons of fish and 116 tons of pork and the lives of the people had been improved. Yen So's party organization was strong. Recently its movement had declined in many respects. Its production was developing slowly and its commodity production was at a low level. The collective material-technical bases were in poor condition. Many cooperative members had abandoned collective labor. Many instances of land encroachment and corruption had occurred in the cooperative. The masses were very worried and perplexed. Why did negative phenomena arise in a unit which had always been a leading flag in the district?

The village party organization meeting was attended by 137 party members. With a serious attitude of looking directly at the truth, the village party organization made clear that the weaknesses and deficiencies of Yen So resulted from the manifestations of decline with regard to the virtue and way of life of the cadres, especially on the part of cadres with authority. There were a number of opinions criticizing the village chairman for encroaching on collective land. The director and assistant director of the cooperative grew private rice in a water catchment area and flooded tens of hectares of rice of another cooperative. Many party members were seriously affected by an attitude of seeking personal profit and paid little attention to the interests of the collective and the state. Fish, a major source of income of the village, brings in tens of millions of dong every year. That sector also had a rather high income level in comparison to the agricultural production sector. Many leadership cadres in the village had brought their family members into the fishing units and looked the other way when those units sold fish to private merchants. On days when fish were brought in many cooperative members became small merchants, including a number of key cadres, who used their vehicles to take their wives to sell fish. The revolutionary will of many party members declined, which led to the situation of relaxing management, violating party discipline, and adversely affecting internal solidarity and the confidence of the masses in the party organization, which was no longer as it had been in the past. Those were the reasons why the party organization could not fulfill its political missions. In 1985 the Yen So cooperative produced 570 tons of fish but sold only 17 tons to the state. There were many reasons for that decline, including the relaxation of party activities and regarding lightly ideological education and the management of party members.

Because of the Yen So party organization and by means of the trial self-criticism and criticism campaign, the Thanh Tri party committee was profoundly aware that when revolutionary moral qualities are weak and deficient and fighting will declines there are many deficiencies in the leadership and work styles of cadres. The deficiencies and mistakes of the Yen So party organization were not representative of all party organizations in Thanh tri District. But the actual situation in a unit that had always been an advanced unit with a strong party organization, such as Yen So, posed troublesome problems which forced the Thanh Tri District party committee to look directly at the truth and correctly evaluate the moral qualities, and leadership and work styles, of its cadres.

An Outstanding Problem

Under the conditions of continual natural disasters, and complicated market changes, Thanh Tri District has remained stalwart, maintained production, shown concern for the lives of the masses, done a good job of fulfilling its obligations to the state, and maintained political security and order and public safety. Many comrades in the district party committee have wholesome ways of life. But with a strict attitude of self-criticism the district party committee deeply reviewed its deficiencies with regard to moral qualities, which were manifested specifically in a weakened sense of responsibility, the pursuit of individual interests, and the purchasing of imported motorbicycles and a number of other high-level consumer goods at "internal distribution" prices. Within a short period of time some comrades brought their wives and children from rural areas and found them employment in state organs, or receive allowances from the state but still do not move their residence. Although those deficiencies regarding special privilege were not prevalent in the district party committee, they exerted an adverse influence and weakened the confidence of the masses.

The moral quality and leadership of the district party committee directly affected the basic level. Many party members in the basic party organizations neglected the missions assigned them and lacked a sense of organization and discipline in implementing the policies and resolutions of the Party. Some 30 percent of the cooperatives did not fulfill their obligation to sell grain and food products to the state. The evils of land encroachment, building houses on the "five percent land," and illegally producing bricks are quite widespread in many villages. Many party members and a number of party committee members have also committed such violations (in Ngoc Hoi, Dai Ang, Linh Nam, Vinh Tuy, Dinh Cong, etc.) The evils of wasteful parties, funerals and weddings of a superstitious nature, and gambling, still occur in many places. Partialistic, local thinking by the villages, cooperatives, and villages have caused a prolongation of the loss of internal solidarity. Some cadres and party members in leadership positions have also expropriated circulating capital belonging to the collective and selected good, nearby fields when accepting contracted-out production. The party members did not play an exemplary vanguard role, which led to the situation of owing money and grain to the cooperatives being very widespread in the villages. A considerable number of key cadres in the sectors, corporations, and enterprises took advantage of shortcomings in management to take state materials in order to sell them and take advantage of price differences. Many economic units arbitrarily set prices and contributed to upsetting the market. In the distribution-circulation sector the phenomena of internal distribution and collusion with private merchants, even by party members, were widespread. The educational and cultural sectors pursued monetary value and arbitrarily imposed fees, which caused trouble for the people.

The district party committee's work style was still heavily characterized by official documents and paperwork, many meetings, and wasted effort, and its efficiency was low. Its leadership style was bureaucratic, fear of difficulty, and remoteness from the actual situation, which adversely affected the basic-level cadres, and it still had the habits of commandism, not making truthful reports, being arrogant and paternalistic, and violating the mastership right of the masses.

There were also many deficiencies in the implementation of the cadre policy. There were many instances of irrational assignment and use, and especially there was still rightism and avoidance in dealing with violations of party discipline and state laws.

An outstanding problem of the party organization of Thanh Tri District was that the revolutionary morality and fighting will of the cadres and party members declined and they had a strong attitude of seeking personal profit and looking out for themselves and their families, but with regard to the district party committee collectively a matter worthy of concern was its leadership style, which was characterized by a lack of a sense of responsibility, aloofness from the actual situation, a lack of dynamism and creativity, and a lack of responsiveness toward the lives of the masses.

Correcting Mistakes as They Happen

The experience of Thanh Tri District is that self-criticism and criticism are equally important and neither should be neglected. Even more important, it took steps to develop the good points and correct the deficiencies. First of all, the district party committee drafted specific work rules and relationships between the party and the governmental administrations at the district and basic levels. The entire district held party chapter meetings on the 3rd and 19th of each month, as well as carrying out regular self-criticism and criticism. The deficiencies that could be corrected immediately were corrected immediately. After the self-criticism and criticism campaign all party members had to accept the missions assigned them, depending on the ability, health, and specific conditions of each person. A survey was taken of the land illegally taken over by cadres and party members and the rice owed the collective in order to take resolute corrective steps. Beginning with this year's spring season there could be no additional debts and the masses categorized families with regard to their ability to pay in order to take steps to collect monetary and grain debts beginning with that season. The apparatus was improved along the lines of reducing the administrative overhead and replacing cadres who were weak and deficient with regard to moral quality and ability. In the case of wives and children who had been employed by the state, investigations had to be made and when standards had been violated they had to be dismissed from the organ immediately. Units without commercial functions were forbidden to do business. The enterprises had to turn over all products to the state. Bonus funds had to be used as stipulated and public funds could not be used for gift giving contrary to principles. The internal distribution of goods at low prices had to be ended immediately. Cadres who were allowed to buy imported motorbicycles had to pay for them according to the market price at that time. Anyone unable to do so had to return the motorbicycle. The district party committee also stipulated standards regarding the use of work facilities, reviewed the recruitment and use of labor, the recruitment of students, and sending people abroad. If any irregularities were uncovered they had to be corrected immediately. The district party committee also set forth specific measures for the comrades in charge of the district sectors and the district party committee who are sent to work in the villages, enterprises, and bases.

The slogan set forth by the district party committee was that the comrades with high positions should correct their mistakes first, then the party members. The results of self-criticism and criticism by each echelon and sector had to be made public to the masses.

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HANDLING OF PARTY DISCIPLINE CASE CRITICIZED

Hanoi QUAN DOI NHAN DAN in Vietnamese 22 May 86 p 2

[Article by Trinh Van Dung: "Absolved of Guilt But Still Sad"]

[Text] I have just learned a lesson, that was both good and bad, about criticism that is correct and good, one that is truly hard to forget. It was something that happened several years ago between me and comrade C, the military commander and a member of my unit's party chapter committee.

At that time I was not yet a party member. Relations between commander C and myself were normal. The commander had good points, such as being hard-working and diligent, and was very disciplined and punctual. But gradually, over a long period of time, I noted that the commander had a number of rather important deficiencies: he competed for merit, made false reports to the upper echelon, was paternalistic and harsh, and wanted everyone to obey him absolutely (the lower echelon, of course).

Once, because I was directly affected I, criticized the commander for those bad habits, and presented rather specific evidence. The commander stared at me and his face paled, which startled me. From then on, he was very cold toward me. After the cold phase he entered a new phase and began to get after me. When the party chapter met to consider making me a candidate for admission into the party, only commander C disagreed. He brought out a deficiency I had 6 or 7 years previously in my old unit and tried to prove that I had not fully corrected that deficiency. He also called me in to "warn" me about that matter. I was very angry and said to his face that he wanted to pin something on me and was prejudiced toward me, and that if he continued to have that attitude no one who had ever had a deficiency could make progress while under his command. Commander C was very angry and criticized me for being "discourteous and rude."

After that the commander picked on me for every little thing and if I made the slightest slip-up he would "blow it up out of proportion" immediately. This attitude toward me became increasingly harsh.

I did a lot of thinking and intended to report to the branch committee or the upper echelon so that I could meet with commander C and straighten things out. But ultimately I decided not to. To be truthful, I was timid, for my "adversary" was a commander who was also a party branch committee member. I was afraid of jeopardizing my application for party membership, and was also afraid of many other things. Thus "the plant didn't want to be disturbed but the wind wouldn't stop blowing." Commander C continued to seek ways to prevent me from entering the party. But his efforts wee not very effective because he was unable to prove that I had a specific deficiency. Most of the party members in the party chapter still agreed with the recommendation that I be admitted to the party.

At that time an anonymous letter was received which falsely accused me of a number of bad things. Everyone was astonished when they learned, after an investigation, that the author of that anonymous letter was none other than commander C ! Of course, comrade C had to submit to thorough criticism, was disciplined, and was transferred to another unit.

I was absolved of wrongdoing and a little later was admitted into the Party. I should have been pleased but inwardly I was very sad. I was not only sad then, but am still sad. I had thoughts about incorrect acts in struggling against and criticizing a commander, a comrade, and a fellow unit member. At first, I criticized the incorrect acts of comrade C, although defensively and passively. Later, when under strong pressure, I retreated. I should have struggled against comrade C in an organized and resolute manner, but with reason and sentiment. That is a requirement of the party branch committee or upper-echelon party committee serving as a referee between me and comrade C. If I dared do so it was certain that the contradiction would have been better resolved and perhaps that anonymous letter would not have been sent. Furthermore, I felt very sorry for comrade C. Although he was a party member and a commander with a relatively great deal of experience, because of a serious case of individualism he acted contrary to revolutionary virtue.

I think that in the present self-criticism and criticism campaign we must be on guard against, uncover, struggle against, and eliminate two diseases: the first, my disease, arises from individual benefit and a lack of courage in struggle. The second is the disease of comrade C who, because he was heavily influenced by individualism, applied pressure against someone who criticized him and even used the ugliest methods.

If allowed to continue to exist, those two diseases will be very great impediments to our self-criticism and criticism campaign.

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PARTY ACTIVITIES AND GOVERNMENT

VIETNAM

HANOI GRAIN SECTOR CORRECTS DEFICIENCIES

Hanoi NHAN DAN in Vietnamese 10 Jun 86 pp 3, 4

[Party Building column by Hoang Trung: "Results of Criticism: Hanoi Municipal Grain Sector Immediately Corrects Deficiencies in Distribution"]

[Text] Recently, within a short period of time, the newspaper NHAN DAN has received more than 1,000 letters from readers, who have contributed many opinions about the self-criticism and criticism campaign in the party.

The newspaper NHAN DAN would like to sincerely thank all of its dear readers who expressed profound concern and contributed enthusiastically to the important party activity campaign. Our newspaper has published a number of the letters and opinions. We have sent the other letters to the Secretariat of the Party Central Committee.

The self-criticism and criticism campaign is being expanded at all echelons and in all sectors, and in the basic party organizations. In this column we will publish the results of criticism and self-criticism, the practical, specific deeds in various places which were intended to develop the good points, overcome the deficiencies, and contribute positively to building the party and doing a good job of implementing the urgent missions to achieve accomplishments to serve the Sixth Party Congress.

The Hanoi Municipal Grain Service has carried out self-criticism and criticism throughout the sector. During the past 5 years, under the conditions of the economy still experiencing many major imbalances, and many difficulties being encountered in grain production, the entire municipal grain sector has made many all-out efforts to ensure grain to meet the needs of rationing and the supply standards of cadres, workers, and members of the armed forces, and to meet part of the needs of public restaurants and serve animal husbandry in the capital. Some cadres and party members have maintained a wholesome way of life, are conscious of organization and discipline, and have a sense of responsibility toward the common endeavor. A number of units, such as the grain corporation of Hoan Kiem Ward, the Chua Boc Wheat Enterprise, and a number of stores in the inner city have undergone a good transformation in service and in conducting business in the spirit of Resolution 8 of the party Central Committee.

Problems of a Widespread Nature

The conference of key cadres of the bureaus and the directors of ward and district grain corporations in the municipality carried out strict self-criticism and analyzed the weaknesses and deficiencies within their ranks, which in some respects have become more serious, especially the sense of responsibility toward the lives of the masses. That phenomenon is quite widespread among cadres at the basic level and in the stores, and is manifested concretely in very low labor productivity and effectiveness, especially on the part of indirect labor. In the leadership ranks, the attitude of waiting for orders, being overly dependent, and halfheartedness, and the attitudes of conservatism and sluggishness, are rather prevalent. The bureau director has not applied prompt measures to overcome negative phenomena which continually arise in the transportation, shipping, and receiving of grain. The commercial and professional management offices are still heavily characterized by a subsidizing attitude and lack dynamism and agility in life. A number of units have prolonged the situation of a lack of internal solidarity, and in some places that situation is serious (such as the Grain Corporation of the city of Son Tay, the Nghia Do Grain Processing Enterprise, the housing repair enterprise, etc.). The situation of lax management has arisen. A considerable number of cadres, personnel, and civil servants who receive goods, sell goods, drive trucks, and keep warehouses use many tricks to steal materials and grain, especially during transportation and when goods are received at warehouses. That negative situation is serious. It has not only caused great harm to the state but has caused some grain cadres and reduced the confidence masses.

An outstanding weakness in the leadership style of the Hanoi grain sector is that there is still much confusion when shifting over to economic accounting, and the management style of nearly all directors is still old-fashioned and does not yet fully manifest the work style of directors according to the new mechanism. That weaknesses is manifested rather clearly in directors not paying adequate attention to guiding production costs in the enterprises, not paying attention to reducing circulation expenses, reducing waste, etc. The administrative management work of the sector, such as distribution and regulation, has not improved and still creates much trouble for customers. That is manifested rather clearly in the Gia Lam, Thanh Tri, Phuc Tho, and Son Tay City grain corporations.

The sector's cadre work has not been closely combined with its political mission, and the quality and effectiveness of service and commerce are not the bases for evaluating personnel and the use of cadres.

An outstanding, widespread problem is that nearly all cadres, party members, and personnel in the sector take their rice first and select good-quality rice to purchase for themselves and their families, relatives, and friends. Even though they do not have rice ration booklets in the places where they work, the people in the sector are still able to buy rice before the others. Even more serious, many personnel who sell and receive goods use high-quality rice to exchange with the other sectors, slip rice to merchants to profit from the price disparity, which upsets the market, underweigh the rice sold to customers, and take the rice left over at the granaries. The attitude of sales clerks is one of arrogance. They do not begin to sell their goods until several hours after opening the store, thus forcing the people to wait, or are rude and sullen toward the customers.

Corrective Measures

After carrying out self-criticism and criticism the party committee and director of the Hanoi Municipal Grain Service set forth measures to correct the deficiencies and regarded that as a very important requirement for developing the effectiveness of self-criticism and criticism in order to promote all aspects of its work, first of all to strengthen the spirit of doing a good job of serving the people. The grain enterprises and corporations of the wards and districts must take corrective steps after carrying out self-criticism and criticism. The guidance spirit of the service is to take urgent and strict corrective action. When a mistake has been made and can be corrected it should be corrected immediately, without hesitation. An urgent problem of the Hanoi municipal grain sector is to make immediate corrective action in distribution and service, in order to attain the goal of fair, convenient distribution. That requires the implementation of many important tasks, such as purchasing and receiving goods, promoting processing, expanding commerce, opposing negative phenomena, strengthening management, consolidating organization, and reorganizing cadres along the lines of reducing administrative personnel and indirect labor.

The director of the Service has decided upon a number of measures to correct deficiencies and requests its offices and those of the wards and districts to concentrate their guidance on ensuring fair and convenient distribution, especially in the inner-city stores.

Beginning on 10 August 1986 the Hanoi municipal grain sector will apply the following measures:

1. Opening and closing stores at the times stipulated by the upper echelon, and goods will be sold as soon as the store is opened. The goods-selling times will be observed, stores will not be opened late and there will be no prolonged lunch breaks of quitting early.

Depending on the conditions, it is possible to apply many forms for the customers. Ordinary sales will be made at the stalls, sales at stalls will be sold in accordance with priority books, and money, bags, and ration booklets will be sent to the store and appointments will be made to pick up the goods later. goods will be sold at the houses of some families which come under the policy, such as the families of war dead and disabled veterans, headless families, and families of cadres with merit toward the revolution. Rice will be taken to sell at colleges and vocational middle schools.

The corporations will review the store cadres, sales clerks, and warehouse keepers, especially in the weak and deficient bases. Those who do not have sufficient moral quality or are not sufficiently trustworthy should not be used to distribute grain.

The corporations must tie in distribution at the stores with the assistance and supervision of the subward governmental administration and party committee. It is necessary to regularly solicit the opinions of party members, cadres, and the people about the service attitudes and quality of the grain stores.

2. The rice stalls must display samples of their goods and the prices of each type of grain. They must sell the correct type at the correct price, weigh the grain honestly, and ensure fair distribution.

If the grain sold is not what the customer ordered the store must exchange the grain if so requested by the customer.

The customer may weigh the grain at the store. If the grain has been underweighed the store must make up the difference.

3. When receiving customers and making sales, the cadre and personnel of the grain sector must:

Have a conciliatory, modest attitude toward the customers.

Wear work clothes with badges which give the person's name in order to facilitate business with the customers and supervision by the masses. (Recently, when soliciting the opinions of customers the customers have often made the complaint that "a fat girl" or a "thin girl" had done something wrong, but they don't know their names).

4. The stores and personnel are forbidden to set aside high-quality rice for their friends, or use high-quality rice to make deals for personal profit.

Furthermore, the Municipal Grain Service has also decided upon a number of measures to overcome the negative phenomena in shipping, receiving, and transporting grain.

5616
CSO: 4209/647

PARTY ACTIVITIES AND GOVERNMENT

VIETNAM

PEOPLE OF DONG HOA VILLAGE COMPLAIN ABOUT ABUSES

Hanoi NHAN DAN in Vietnamese 6 Jun 86 p 3

[Article by Duy Ha: "Opinions of the People of Dong Hoa Village"]

[Text] As requested by our friend Duy Hoa, of Dong Hoa village (in Dong Hung District, now part of Thai Binh City), we are publishing this article in hopes that the party committee of Thai Binh Province will investigate and reach conclusions so that they can be made public by the party newspaper in the spirit of the Secretariat vis-a-vis self-criticism and criticism.

Under the light of the resolution of the Fifth Party Congress, the party organization and people of Dong Hoa have endeavored to create a village with an all-round movement, one which is visited by people from all over the nation. Its rice yield is about nine tons of paddy per hectare. Its movements to raise fish, raise silkworms,and build up the family economy have developed strongly. The village road has been paved with gravel. The appearance of the countryside has improved. It rapidly and efficiently fulfills its grain and food products obligations.

But a number of cadres if the village people's committee and cooperative management cadres were corrupt, colluded, accepted bribes, and led debauched lives. The party organization and people of Dong Ha have made complaints since November 1985 but the upper echelon has not taken any clear action.

I would like to present as examples several major incidents. During the 1985 10th month season the people uncovered the sale of more than 70,000 points. The management board had to admit that to the party organization and recover 51,740 points. Six dining areas had been built, purportedly to receive guests. The people made the accusation that one of them, in the cooperative office, spent 258,000 dong during the last 3 months of 1985. The leadership there had to admit that it had spent 226,000 dong and bought 350 kilograms of rice. A party member in Unit 14 who did not receive contracted-out land obtained public rice, according to invoices 6,900 kilograms of its, for consumption and gift-giving, and received 9,100 points to hire a worker. The head of Unit 2 obtained a rice authorization for 7,044 kilos to "pay rice to cooperative members." The people discovered that the declaration was irregular. The 9-month ration for day-care children was 6,535 kilograms but an investigation revealed that the children ate less than half of that rice.

That is not to mention dozens of breeding hogs that are taken away every year and 957 kilograms of live pork given as Tet gifts. of the three tons of pond fish distributed to the people, 995 kilos of carp were presented as gifts. During the 1983-1985 3-year period the province invested 1.8 million dong in organizing the growing of litchi but the cooperative invested only 400 million dong (equal to 2.2 million old dong) to buy 41,684 litchi cuttings. In fact, an investigation showed that the collective planted 2,263 hillocks, each of which was planted with 6,789 cuttings (6,125 of which lived), while the family sector reportedly planted 7,684 plants totaling 14,473 cuttings. In comparison to the invoice, there was a shortfall of about 20,000 cuttings. a truck trip was contracted for at 55,660 dong but it did not transport the plants. Dried litchi and honey were purchased and 38,000 dong were divided. an invoice for 12,900 dong worth of meat to serve guests was counterfeited. There was collusion with a barge on the Tra Ly River to purchase 600 steel bars, 90 cubic meters of rock, and 70 cubic meters of yellow sand for internal distribution, to build houses, and to sell on the outside. During the past 3 years, 10 cadres' houses were built on pond beds and low-lying land. Furthermore, bricks, tile, lime, sand, cement, steel, and doors were brought in and civilian labor was used to build houses for a number of cadres who made deals. They decided the upper echelon and tricked the lower echelon. When the people consumed 10 to 12 kilos a month they reported that they consumed 21 kilos a month. In 1985 10,985 kilos of fish were caught but the catch was reported as 38 tons. The village had only three hectares of mulberry but reported 12 hectares. The rock purchased on the sly from the barge to spread on 7,500 meters of road was reported as having been obtained at the Ninh Binh limestone mountain, etc.

The party organization and people of of Dong Hoa have put up with hardships and worked diligently and economically to build their home area and country, but cannot accept the excessive negative phenomena and the expropriation of their collective mastership right. They are correct in struggling to defend are correct in struggling to defend the prestige of the party. During the past 6 months the upper echelon has resolved a number of improper actions and lax discipline, and has reached the conclusion that some party members have exaggerated and sabotaged the village's movement.

By means of the party newspaper, we hope that the competent echelons and sectors apply Directive 79 of the Secretariat of the Party Central Committee in Dong Hoa village objectively, impartially, and faithfully in order to illuminate the struggle movement of the party organization and people in the village, and bring about absolute confidence by the masses in the party before holding party congresses at all levels.

5616
CSO: 4209/646

WRITER: ALLOW PEOPLE TO VOTE FOR CANDIDATES OF CHOICE

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 11 May 86 p 1

[Contribute to the Party Congress column]

[Text] Hold Genuine Elections

The party's line and policy is to manifest the people's ownership rights. But some places have not implemented this policy correctly. For example, in electing neighborhood team management committees, the choices open to the people have been limited. In these elections, the people's only task has been to show up in large numbers and vote for the people selected by the authorities, regardless of whether or not these people will be able to serve the people. The only thing that is important is that these people are agreeable to the authorities. As for those people whom the people like, the people in authority advance many reasons and find ways to exclude them. The people are very tired of this way of staging elections. They participate in elections only for form's sake, because they don't have the right to vote for whom they want. In one election to the Ward Protection Committee, the candidates were all selected by the subward public security forces. The election was carried out quite well under the guidance of ward public security personnel. The deputy subward security chiefs participated and monitored the election. After the election, reports were prepared stating that everyone was enthusiastic about the composition of the new Ward Protection Committee. But only a short time later, people went and told the subward authorities that some members of the new committee had once worked for the old system. These people did not understand that the backgrounds of each of those on the committee had been checked carefully. Furthermore, all of the candidates had been encouraged personally by ward security personnel. They were selected because they had a lofty spirit of revolutionary consciousness and because they met the requriements of the public security sector, not because of their power or position. In this city, almost every family was "involved" with the old system in one way or another. But shouldn't each person be judged on his participation and on his contribution and spirit of revolutionary awareness since liberation? If involvement with the old system is used as the selection criteria for launching the masses, we will never be able to build socialism. In the end, the election results were voided partially, and the election rights of the people were limited. The people criticized the primary-level authorities because they felt that the authorities had encroached on their democratic freedoms. In the end, this just benefited the enemy, who is always watching for weaknesses that can be used to distort things.

Based on the above, I hope that the primary-level officials show responsibility concerning the ownership rights of the people based on the lines and policies of the party. Conditions must be created to enable the people to get near the party and to enable the party to get near the people. If this is done, the party will understand the ideas of the people, and the people will show revolutionary zeal in building socialism. (Nguyen Van Ke, Precinct 10)

11943
CSO: 4209/636

LABOR NEWSPAPER STARTS PARTY BUILDING COLUMN

Hanoi LAO DONG in Vietnamese 22 May 86 p 4

[Workers' Mailbox on Party Building column]

[Text] During a meeting with representatives of labor, workers, and trade unions in the capital on 8 and 10 May 1986, Chairman Pham Van Dong stressed that "We must emphasize self-criticism and criticism, and must resolutely, promply, and appropriately deal with people who are ugly and corrupt, people who commit crimes in the party organizations, the state organs, the mass organizations, the armed forces, and the other organizations."

In order to contribute positively to the Sixth Party Congress and respond to the appeal of Chairman Pham Van Dong, the newspaper LAO DONG has begun a Workers' Mailbox on Party Building column. Readers are encouraged to ardently participate, with the following contents:

Uncovering problems and events to bring to the attention of the party committee echelons, cadres, and party members in the state economic bases, the party organs, the state, and the trade union system, which are carrying out a self-criticism and criticism campaign. For the immediate future, please emphasize problems and events regarding the moral quality of party members, the style of leaders, and the cadre policy.

From the point of view of workers directly engaged in production and other work at the basic level, make recommendations to the party regarding the obligations and rights of workers, the mastership right of workers, and the relationships between the party and the laboring masses and between the party and the trade union.

The letters must bring up problems and events accurately, specifically, and practically, problems and events about which many people are concerned and which are "current topics" at the basic level.

Letters should be sent to LAO DONG, 51 Hang Bo Street, Hanoi. No stamp is necessary. Address the letters to Workers' Mailbox on Party Building. The editorial board will print the letters in the newspaper.

5616
CSO: 4209/629

OFFICER INVOLVED IN ILLEGAL CATTLE DEAL

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 8 May 86 p 3

[Article by Ngoc Oanh: "Some Illegal Types of Cattle Dealing"]

[Text] Recently, taking advantage of the scarcity of pork and beef, and of the commercial sector still experiencing many difficulties, the itinerant merchants who slaughter and sell blackmarket pork and beef have revived and are operating strongly in many forms. Nearly all of that blackmarketing involves collusion between the dishonest merchants and degenerate employees of the organs, sections, and sectors.

Letter of Introduction for Training in Cattle!

On 8 April, an officer of unit X who was stationed in Hoc Mon, was caught in the act of delivering to Ut Giao and Duc Bung (infamous blackmarket slaughters in that area) 10 cows which had been transported form Cu Chi District to Hoc Mon. When he was discovered, Vo Thanh Hung only presented a letter of introduction from his unit which stated that he was going "to take training in cattle"! The functional organ investigated and found out that the unit had sent Vo Thanh Hung to buy three cattle in Cu Chi to bring back to serve as draft animals in production, but Hung fell in with some itinerant merchants who bribed him with 3,500 dong to buy 10 additional cows for them. When he was investigated, Hung hastily presented a letter of introduction that said he was going to take training, to which he had added the word "cattle," so that the letter of introduction made the strange statement that he was going to "take training in...cattle"!

"Inside" Money, "Outside" Money, "Outside" Meat, "Inside" Meat

The purchasing and slaughtering station of the Agricultural and Food Products Corporation of Binh Chanh District used Tran Van Boi, alias Sau Boi, who was formerly a professional cattle merchant. The corporation exchanged manufactured goods with the provinces, then sent Sau Boi to bring back water buffaloes and cattle, and arrange for their slaughtering and delivery to marketing cooperatives to sell retail to the people. The price of fresh beef recorded on the invoice was 35 dong per kilo, but units which wanted to receive high-quality meat had to pay 31 additional dong per kilo under the table to Sau Boi! Some people will ask if fresh beef is purchased at 65 dong per kilo how could it be sold within the retail price framework stipulated by the Commercial Service?

One of the people who received goods at the station was Nguyen Van D, the husband of a small meat merchant who was employed by the marketing cooperative of Subprecinct 10 in Precinct 6. D went to pick up meat at the station but did not take it to the cooperative's stall, but took it to his home to sell "on the outside." The evidence confiscated his house included nearly 600 kilos of beef of all kinds. From that it may be concluded that if meat is bought at "outside" prices it can only be sold "outside."

As for Sau Boi, between January and April 1986 he took in about 75,000 dong more than the amounts stated on the invoices for nearly 30 tons of beef! Did the leadership board of the Agricultural and Food Products Corporation of Binh Chanh District know what he had done? Why did many organs and sectors of the commercial sector secretly pay price differentials to Sau Boi that were nearly equal to the amounts stated on the invoices? That is a question which the sectors with management functions must answer.

The higher the price of meat on the market, the more the merchants take advantage of shortcomings in the management of sectors and units to make a profit. Therefore, the managing units must energetically investigate them and bring them to justice so that goods can reach the consumers fairly and rationally.

5616
CSO: 4209/622

CORPORATION CRITICIZED FOR EXCEEDING AUTHORITY

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 8 May 86 p 2

[Article by Thien Nhan: "An Authority-Exceeding Incident"]

[Text] Services...Buying and Reselling

Since the beginning of August 1985 the economic reconnaissance police of the municipal public security police discovered an "Education Services Corporation" whose "livelihood" was uncertain but which had rather large amounts of cloth and MSG, which it continually supplied to merchants.

One morning, when an automobile of that service corporation was transporting two cases of MSG, each with 50 packages) to the house of Huynh Thi Thu, a sidewalk merchant who had formed a partnership with another person to sell cloth at the Ben Thanh market, at 84/2C Co Giang Street, the reconnaissance police appeared. Although a gang of hooligans interfered so that she could get away, Mrs Phong had to report and declared that the MSG had been "transferred" by the Education Service Corporation.

On the same day, another reconnaissance team arrested Nguyen Phuoc Quyen, of Subprecinct 24, Binh Thanh District, a person who specialized in buying up goods at Cu market, who was also selling packages of MSG obtained from that corporation. Thus by the time Mrs Phong and Quyen were caught red-handed the Education Service Corporation had marketed 400 kilos of the five tons of MSG Unit 133 had "sold on credit" to the corporation at the price of 100 dong per kilo, which was in fact a disguised form of "selling on consignment ."

Another unexpected detail that occurred was that when surveilling the people who were buying up MSG at the Education Service Corporation, the reconnaissance police discovered that Dinh Van Hung, a materials clerk at Frozen Maritime Products Enterprise 4, illegally had 180,000 dong (new money) in his possession. When asked about that, he declared that the money had been given to him by Le Van Phong, a materials clerk with the Export Aquatic Products Corporation. Finally, Phong declared that the money did not belong to him, but had been "entrusted" to him by a Chinese merchant in Cho Lon! The reconnaissance police understood immediately: once that private Chinese merchant had paid the money "the rice gruel had to be ladeled out," i.e. dishonest merchants were in the buying and selling services.

A Hired Cadre and the New Style Private Merchants

Seeing that the method of livelihood and prestige of the Education Service Corporation were steadily expanding, Frozen Maritime Products Enterprise 4 sought ways to help that corporation expand its purchasing of shrimp for export! Thus the Education Service Corporation violated its stipulated function of "serving exports by means of vocational labor in the schools and by students and their families."

But they had only been engineers of the soul, so did anyone know anything about dealing in export shrimp? No need to worry: Frozen Maritime Products Enterprise 4 gave them "professional" help by lending them Hoang Van Duc, one of the enterprise's trusted cadres. During the first phase, sought out and called together itinerant shrimp merchants and assumed responsibility for paying them. Duc transported the shrimp that were purchased to Frozen Maritime Products Enterprise 4. Only then were the shrimp taken to the Export Aquatic Products Corporation to have it act as export agent and receive exchange goods." Then Duc received the exchange goods and sold them on the outside or turned over a small quantity to the Education Service Corporation to sell to the state sector, but Duc continued to keep the money obtained from the sales! As for the Education Service Corporation, Duc paid it according to the formula of the corporation receiving 15 dong (bank notes) for every kilo of shrimp Duc helped it buy. Meanwhile, when discovered by the economic police Duc had used his own money to help the corporation deliver to the Export Aquatic products corporation 8,752 kilos of shrimp worth 13,800 dollars and a quantity of exchange goods valued at 11,000 dollars, including tires, cloth, and bicycle chains and sprocket wheels.

To buy 8,752 kilos of shrimp at 62 dong per kilo, Duc had to spend 542,624 (bank notes). but with the 13,858 dollars he took in, according to the exchange rate Duc had 762,000 dong in Vietnamese money. With that profit Duc was more than able to pay the Economic Service Corporation more than 130,000 dong. That is not to mention enormous profits from selling imported goods worth 11,000 dollars.

After that incident, it was clear that the hired cadre Hoang Van Duc was only a new type of private merchant, for if the export of more than eight tons of shrimp was intended to benefit the state, with his cadres, with the itinerant buyers controlled by his organ, and with his function, why should Frozen Maritime Products Enterprise 4 hesitate to pay for each kilo of shrimp this "employee" had purchased?

Turn Around of Goods in a Warehouse

By the time it had been discovered and stopped the Education Service Corporation carried out about 10 large-scale reselling "sorties." Except for the above-mentioned MSG incident, the most noteworthy was the purchasing of tons of PE latex from the Cau Tre 5 state export goods processing enterprise to sell to a latex stachel "production base" under the guise of a bogus contract to mold plastic satchels? Then it bought a ton of PE latex from the Industrial Latex Corporation to sell outright to that production base. It was learned that the 180,000 dong (mentioned at the beginning of the article) that were confiscated belonged to Lap, a Cho Lon "contractor" who had Phong take it to "cadre Duc" to obtain 5,000 meters of oxford cloth which on paper were exchange goods which the Education Service was about to receive.

But most worthy of mention was the case of the "turn-over" of goods in a warehouse!

The quantity involved in the first turn-over is not clear, but at the Special food Products Enterprise of the Export Aquatic Products Corporation there was a rather large quantity of imported cloth. One of the enterprise's customers was the Retail Commercial Corporation of Hoc Mon District, which had ordered 5,000 meters of "xin" cloth, which was scarce and had a high market value. But the problem was at the warehouse of the Special Food Products Enterprise. Somehow the Education Service Corporation learned of that and rushed over to buy the cloth at 72.5 dong per meter.

However, because it "had no capital" the Education Service Corporation allowed that 5,000 meters of cloth to "turn around" in the warehouse. The final act had to take place: the "contractor" Lap again appeared and the purchase documents were sent directly from the state warehouse to the dishonest merchant, with a final price of more than 100 dong per meter (the price in September 1985).

From those events it is clear that a corporation acting beyond its limits caused countless complications and difficulties for our city of nearly 4 million people in many spheres!

However, I hard a leadership cadre of the Education Service Corporation say that if they committee an error it should be corrected, but they should be praised because they earned a lot of money. a lot of money for whom? For a degenerate cadre, for dishonest 'contractors," and a "small gift" for a certain small group? Another inestimable harm was that it contributed to causing the market to become chaotic, which people have not taken into consideration.

That outmoded viewpoint must be changed at the root and that "exceeding of limits" must be stopped immediately and eliminated at the root. In order to accomplish that our public security cadres and men must contribute positively to that "hot battlefield."

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CSO: 4209/622

COMPLAINT MADE ABOUT ILLEGAL TOBACCO MARKET

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 8 May 86 p 3

[Article by Minh Son: "The Obverse Side of the Ton That Dam Tobacco Market"]

[Text] If you have the opportunity, drop into a retail tobacco store on the street and buy a package of Da Lat or Mai cigarettes. If you see that the package of cigarettes has a perfectly square shape and has a proper stamp of the factory that produced it, don't feel at ease because when you open the package and take out a cigarette you may see cigarettes that are wrinkled, have become unglued, or are only half-filled. Those are secondary products and rejects which have become primary products in the "magic" hands of a number of dishonest merchants.

I am a worker who lives next to the Ton That Dam tobacco market in Subprecinct 10, Precinct 1, in 1983 and 1984. After returning from work on Monday I often witnessed many open transactions among tobacco dealers there. After several arrests by the market management forces, in 1985 and 1986 they retreated into the shadows to do their business, but their "products" were never absent from the market.

Let us do a simple math problem. The difference between the price of secondary products and primary products is 20 to 30 percent (the difference between the prices of rejects and primary projects is even greater). In one day a stall can sell tens of thousands of packages of cigarettes. Thus in addition to the ordinary profit margin they increase their incomes by 20 to 30 percent. We would not be surprised to learn that some people in that sector had become rich after 3 or 4 years of such livelihood. Clearly, they have successfully combined the slogans "You can't get rich if you're not a merchant" and "be dishonest in buying and selling."

That is only one aspect of the prism of the Ton That Dam tobacco market. It is truly difficult to understand how it is that most of the cigarettes sold there are produced by the state cigarette factory. At a time when state commerce and marketing cooperatives have no cigarettes (or do not display them for sale), every day the Ton That Dam every day has sufficient goods to thousands of retail cigarette vendors in the city and hundreds of itinerant merchants form the provinces.

Let us do another math problem:

At present the price of a package of Du Lich cigarettes, as set by the Commercial Service, is 15 dong, but the Ton That Dam market sells them at 28 dong, an increase of 83 percent. Is it that that 83 percent figure has prevented store X and marketing cooperative Y from having no cigarettes or insufficient quantities to serve the people?

Then there are imported cigarettes. Although the state has long had the policy of forbidding private merchants to deal in imported cigarettes, the Ton That Dam market is still an important center in the marketing of such products. If you have the occasion to pass through the Ton That Dam market you will see people gathered around chess tables or domino table,s with cups of coffee, or sitting on the steps of houses: men women, young men, and young women. Don't think that they are unemployed. At times they work very hard, night and day, such as when ocean-going ships, convoys arrive from Cambodia, or boats from the western provinces arrive. At such times people come to sell imported cigarettes. Hundreds of cases of foreign cigarettes are brought in at a time by the ships an convoys. Within a few days those bulky goods are taken to certain addresses and the next day they continue to sit around playing chess, and making appointments for deliveries.

Another principal source of income of some of the cigarette dealers at the Ton That Dam market is counterfeit cigarettes: Lucky, Ruby, Cotab, Apsara, 7 Janvier, Sleigh, even Saigon, Du Lich, and especially Hoa Cuc, Dam Sen, and Khanh Hoi cigarettes.

I have been informed that at the end of February of this year, when the market Management Section of Precinct 1 went to inspect the goods at No 119 Ton that Dam it found that of the 200 packages of foreign cigarettes and 5,000 packages of domestic cigarettes there 700 packages were counterfeit. Although Directive 51/CT-UB/TP, dated 2 November 1985, of the Municipal Party Committee on transforming four goods sectors, which stipulated that tobacco was a product over which the state exercises unified management and has a monopoly in production and commerce. But a number of cigarette production enterprises in precincts 3 and 10 allow the private merchants at the Ton That Dam market to serve as agents in selling their Hoa Cuc and Dam Sen cigarettes, although the governmental administration of Precinct 1 was not consulted. Can those enterprises guarantee that counterfeit Hoa Cuc and Dam Sen cigarettes will not be sold by their "agents"?

Security and order at the Ton That Dam tobacco market have become a complicated problem. In a short, narrow street, every day hundreds of motorbicycles and bicycles carry goods in and out, then there are the arguments and fights. A number of people take advantage of disabled veterans or pretend to be disabled veterans, to transport or protect the goods of people who buy and sell illegally. During the past 2 years, they have fought with people carrying out market management work there.

The Ton That Dam cigarette market is only representative of a number of other cigarette markets in the city. Since they are so negative, should they be allowed to continue to exist? We are waiting for Precinct 1 and the city to answer that question.

5616
CSO: 4209/622

ECONOMIST COMMENTS ON GRAIN, TRANSPORTATION

Ho Chi Minh City SAIGON GAI PHONG in Vietnamese 22 May 86 pp 1, 4

[Contributing Opinions About the Party Congress column by Le Khoa, Ph.D. in Economics: "Some Opinions on Resolving the Grain and Transportation Problems"]

[Text] Mekong Delta Should Export Rice

Because our country lacks grain, during the past 10 years the Mekong Delta has not exported rice or sugar, two of its principal products. Since 1985 we have been self-sufficient in grain. Furthermore, the Mekong Delta now has a summer-fall, winter-spring, and 10th month rice regime; when one season ends another begins. Therefore, the matter of exporting rice and sugar in the Mekong Delta must be seriously reconsidered, especially exchanging rice for urea and NPK fertilizer, insecticides, and raw materials for the Saigon-Bien Hoa industrial zone.

The price of a ton of rice equals the price of a ton of urea or NPK, and by spreading a ton of urea or NPK on fields in the Mekong Delta we can harvest 25 tons of rice. Based on the international price formula of a ton of rice equalling a ton of urea, we could implement a program of exporting rice and importing urea and NPK, so instead of each hectare providing three to four tons of rice, as at present, we could harvest eight to ten tons of rice and double our rice output within a brief period of time.

It should also be pointed out that the peasants of the Mekong Delta have some surplus rice, but often keep it instead of selling it because prices are unsuitable or the state does not have manufactured goods to exchange with them. That problem can be resolved by exporting some rice and importing some raw materials for the Saigon-Bien Hoa industrial zone (which at present is operating at only 50 percent capacity because of raw materials and POL shortages) so that it can operate at full capacity, then use goods manufactured in that industrial zone to exchange for agricultural products in the Mekong Delta. We will thus create an economic alliance between the Mekong Delta and the Bien Hoa industrial zone, and between imports and exports.

That economic alliance will serve to fight inflation, for when the volume of goods increases the balance between goods and money will be restored. More specifically, the peasants would very much like to ;exchange three kilos of rice for one kilo of urea, while the international formula is one kilo of rice for one kilo of urea. That creates the capability for the export-import enterprises to earn big profits and pay high taxes to the state.

I would like to say more about the exporting of rice. At present the price of rice is only one-third the price of rice. Therefore, our capability with regard to grain production is even more solidly based. We car export 5 to 10 tons of rice in exchange for 15 to 30 million tons of wheat, so our country's grain problem will be resolved, livestock will have much wheat to eat, and animal husbandry will develop strongly. The problem of transporting rice from the Mekong Delta to the north will also be resolved because it is possible to import foreign wheat directly via the ports of Hanoi and Hai Phong instead of transporting rice from south to north. One question that is posed is whether the price of wheat will tend to decline over a long period of time and whether a program to exchange rice for wheat can be prolonged for 5 to 10 years.

It is difficult to make accurate predictions, but economically we can rely on the law of supply and demand: if supply increases and demand decreases, or does not increase, prices will fall, but if supply is small and demand is large, prices will increase.

Wheat is grown in developed countries in Europe and North America, and in the Soviet Union. Only recently have scientists discovered high-yield miracle rice varieties which provide yields of more than 10 tons per hectare, and that green revolution has developed strongly because it has not encountered shortages of POL, fertilizer, insecticides, and agricultural machinery, as in the underdeveloped nations. Therefore, the supply of wheat has multiplied while the demand for wheat has not increased, for in North America, Europe, and even Poland and the Soviet Union, women give birth to very few children, so population has not increased appreciably.

Rice is produced in Asia and a number of other places, but even though such places have high-yield miracle rice they are faced with the obstacles of shortages of tractors, fertilizer, POL, and insecticides, and population pressure increases very strongly, so the demand for rice is very strong.

Therefore, according to the law of supply and demand the price of wheat must fall and the price of rice must increase. On the basis of that law, the state and the export-import organs must boldly implement a program to export rice in exchange for wheat, while at the same time promoting the consumption of wheat in all forms, by organizing bread bakeries and noodle bakeries, producing animal feed from wheat, and replacing some rice with wheat. Thereby the animal husbandry and grain problems will be resolved and an effective contribution will be made to stabilizing the cost of living.

Increasing the Production of Electric Power

According to 1976-1984 economic-social statistical data of the Ho Chi Minh City Statistics Department, made public in April 1985, the amount of electricity generated, which was 1,279 million KWH in 1976, increased to 1,545 million in 1980, 1,725 million in 1983, and 1,900 million in 1984. Thus the output of electricity has nearly doubled since 1976. However,the electricity output has not kept up with demand. Every week the Electric Power Corporation must cut off the electricity during the day or at night, several times during some weeks.

At present we are awaiting the completion of the Tri An Hydroelectricity Plant, but the first turbines will not begin to generate electricity until 1987-1988 at earliest, and if, when the Tri An plant begins to generate electricity, we promote the program to produce electricity from Lam Dong bauxite, and the metallurgy program, we will need two, three, or many Tri An hydroelectricity plants to meet our country's economic development needs.

Furthermore, although the hydroelectricity plants have the advantage of not requiring fuel, many years are required for their construction, while our needs for electricity are very urgent and demand immediate resolution. Every time there is an interruption of electricity the enterprises must stop work and kerosene lamps, with their poisonous vapors, are again lit, and much serious harm is done to tasks requiring electricity (such as schools, incubating machines, sugar refining machinery, etc.)

We recommend the application of a number of urgent measures to increase the sources of electrical energy in our country and in Ho Chi Minh City, instead of organizing power outages:

a. Increase exports, including rice and raw sugar, and use the foreign exchange that is earned not to import not Honda coupes and color TV's but residual oil and mobile diesel engines, in order to generate electricity.

b. Increase the production of coal and organize the generation of electricity from coal and peat. According to statistical data of the Statistics General Department, in 1975 the nation produced 5.2 million tons of coal, in 1980 it produced 5.3 million tons of coal, in 1983 6.2 million tons, and in 1984 4.9 million tons of coal. It is only necessary to do a good job of resolving the problems of salaries, food, and machinery and trucks, for the coal output to increase notably.

c. Study the use of "red coal" (in the South there many thermal springs that can be used to generate electricity if there is drilling more than 200 meters deep to find temperatures greater than 120 degrees centigrade), promote the building of small hydroelectricity projects, use such energy sources as methane, etc.

At present, oil is being exploited in the South China Sea and Ho Chi Minh City has begun to receive daily shipments of crude oil. It is necessary to urgently study the construction of oil refineries, as well as hiring or buying ships to transport natural gas in order to recover natural gas along with crude oil and transport them to Ho Chi Minh City, instead of wasting the natural gas, as is done in the oil fields of the Middle East.

Although many difficulties and obstacles are being encountered in producing electrical energy from coal, crude oil, natural gas, "red coal," etc., they can be overcome. We should not wait for the Tri An hydroelectric plant to be completed. On the contrary, the demand for electricity is multiplying with the program of industrializing the South. We think that it is better to pose the question of increasing the production of electric power rather than organize power outages several times a week, which inflicts serious harm on life and production in the city.

5616
CSO: 4209/658

REASONS FOR DECLINE IN SUGAR PRODUCTION DISCUSSED

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 11 May 86 pp 1, 4

[Article by Vo Han Lam: "Why Have Yields in the Sugar Cane-Sugar Sector Declined?"]

[Text] Now that the 1985-1986 season is almost over and the preliminary figures are in, Federated Industrial-Agricultural Sugar Cane-Sugar Enterprise 2 has to accept the truth: sugar output has reached only 34,500 tons, a decline of 9,000 tons as compared with the previous season.

The director general of Federated Sugar Cane-Sugar Enterprise 2 said that "this year, the sugar mills did a very good job of readying machinery and equipment before the start of the season and so no major technical difficulties were encountered this season. The La Nga Sugar Mill, which has a planned capacity of 2,000 tons of sugar cane a day, handled up to 1,800-1,900 tons of sugar cane a day and produced an average of 100 tons of sugar a day throughout the month. The only thing is that sugar cane yields dropped this year, and on many occasions the mills lacked raw materials."

The realities of the 1985-1986 sugar cane-sugar season show that based on estimates to the end of the season, the Quang Ngai Sugar Mill, which did the best job in fulfilling the plan, purchased only about 150,000 tons of sugar cane as compared with the norm of 165,000 tons. The La Nga Sugar Mill purchased only 149,000 tons of sugar cane as compared with the norm of 210,000 tons. The Binh Duong Mill purchased 108,000 tons as compared with the norm of 179,500 tons. Last was the Hiep Hoa Mill, which purchased only 54,000 tons of sugar cane as compared with the plan of 120,000 tons.

As for why this happened, one reason is that the price and currency fluctuations, which continued for more than 6 months last year, rendered the state's price policies on purchasing sugar cane out of date. The peasants could not accept the stipulated price of 230-260 dong per ton of sugar cane in conditions in which there were no goods of equivalent value. And this year, the sugar cane sector has not been able to give agricultural materials norms for supplying materials to the sugar cane growers. To keep from setting the sugar cane "adrift," the sugar cane-sugar sector boldly subsidized "beginning season" prices, which effectively raised the sugar cane purchase price to 285 dong per ton. This price, too, became out of date and so the mills had to use "transport price subsidies" to raise the price to 350 dong per ton. Some places implemented additional "end-season price subsidies" to raise the price to 450 dong per ton based on local requirements.

But these formulas were only moderately effective. One cadre in the sugar cane-sugar sector said that said that "last year, the mills were flooded with sugar cane. But this year, the mills have gone everywhere looking for sugar cane. Last season, there were tens of thousands of tons of raw sugar available for producing refined sugar. But this year there are only several hundred tons." One reason is that even though the purchase price of sugar cane has risen, it has not kept pace with peasants' expenditures on agricultural materials and consumer goods. In addition, legumes and export industrial crops exerted a great attraction last year and so many peasants switched from growing sugar cane to growing export crops, with the result that the area planted in sugar cane declined.

Because of this situation, the state's norms on purchasing sugar cane, which were given to the localities, did not have the force of law. At first, many localities agreed to pay for the sugar cane in cash. But later on they had to pay in sugar. Some localities asked the mills to pay in sugar throughout the season, with the price rising from 27-28 kg of sugar per ton of sugar cane to 35 kg of sugar per ton of sugar cane.

Although the price of sugar cane has increased, the peasants have not benefited at all. If the norms established by the state continue to be used, with 1 kg of standard nitrate fertilizer (SA) (or 1 kg of phosphate or potash fertilizer) equal to 10 kg of sugar cane, 1 liter of DO oil equal to 25 kg of sugar cane, or 1 ton of sugar cane equal to 150 kg of rice, the peasants will suffer huge losses when they sell their sugar cane to the state and are not sold goods of equivalent value in return. At the same time, the localities that exchange sugar cane for refined sugar can make large profits. Districts that purchase sugar cane from the peasants for 350 dong per ton can give it to the mills in exchange for 35 kg of sugar. This sugar can be sold to the province for 22 dong per kg, and the province can sell it on the markets for 40-45 dong per kg.

Making use of the fact that sugar cane prices have changed slowly and the fact that the state has encountered difficulties in providing goods of equivalent value to the peasants, private businessmen have begun to "stir." They have competed with the state in making purchases and so prices have risen to 700, 800 and even 1,100 dong per ton. As a result, the price of sugar on the markets has increased continuously.

Although they have taken many forms, the difficulties of the sugar cane-sugar sector are "long-term problems" that have appeared again and again during the past 10 years. The problem is not that prices are out of line. Rather, the main reason is that the objective laws have not been used well during conditions in which the five economic elements still exist and there are no correct investment policies for sugar cane. The sugar cane-sugar sector has not carried out its special-sector management functions, from crop growing to processing, or formed a direct relationship with the peasants. Instead, it has gone through many middlemen. Sugar cane materials are not concentrated in a sector management sector. Instead, they have been given to the agricultural, domestic trade, and other sectors. Reality shows that in the unfavorable situation during the 1985-1986 sugar cane season, those places that had suitable policies for the sugar cane growers experienced fewer problems. Thanks to having rice, sugar, and fertilizer and making exchanges with the peasants, even though the purchase price of sugar cane was only 280 dong per ton, the Quang Ngai Sugar Mill was still able to obtain large quantities of sugar cane in order to maintain stable production. Because of this, the price of sugar in Quang Ngai is only half that in Ho Chi Minh City and the western provinces. In particular, because of having a direct relationship with the peasants at the village level, allowing the peasants to borrow money, having goods of equivalent value, and investing in the construction of roads and public welfare projects for the localities, the La Nga Sugar Mill was able to get rid of the private traders who were trying to purchase the sugar cane and stabilize prices.

Only by implementing Political Bureau Resolution 31 satisfactorily, having suitable policies regarding sugar cane growers, reducing the middlemen, and giving the processing plants greater control will the sugar cane-sugar sector be able to solve this long-standing problem--the lack of raw materials.

11943
CSO: 4209/636

IMPORTANCE OF SALTWATER FORESTS EMPHASIZED

Hanoi QUAN DOI NHAN DAN in Vietnamese 26 May 86 p 3

[Article by Tran Dinh Ba: "Planting and Protecting Salt-Water Forests--an Important and Urgent Mission"]

[Text] More than half of the localities in the 20 provinces and municipalities located along the coast from Mong Cai to Ha Tien have saline swampland and salt-water forests. But the salt-water forests only remain in a number of localities in the former Nam Bo provinces, concentrated in two large areas: Duyen Hai District (Ho Chi Minh City) and Nam Can District (Minh Hai district). Forests in general and salt-water forests in particular not only provide immediate benefits but also have great value with regard to the environment of man and the various kinds of fauna and maritime products, and serve to retain soil and extend the coastline further out to sea. According to observations, in the Ca Mau Peninsula alone every year the mainland extends 80 to 100 meters out to sea. For those reasons, planting and protecting salt-water forests has become an important and urgent missions with significance in many regards: economically, socially, and with regard to security, national defense, and expanding the nation's territory.

Clearly realizing their important and urgent mission in planting and protecting the salt-water forests, in recent years nearly all provinces, municipalities, and special zones of the Nam Bo provinces have made very great effort. Every year, during the rainy season the localities launch afforestation movements. Many provinces have expanded the form of assigning land and forest areas to the production bases and the state forests have paid attention to creating tree varieties and have a suitable incentive policy for the afforestation organs and production bases. Therefore, the movement to plant coastal forests has received rather enthusiastic response. According to statistics of the Ministry of Forestry, during the 10 years since the liberation eight provinces, municipalities, and special zones--Vung Tau-Con Dao, Dong Nai, Ho Chi Minh City, Hau Giang, Cuu Long, Ben Tre, Minh Hai, and Kien Giang--afforested 67,100 hectares of salt-water forests. Minh Hai led the way with 26,400 hectares, Ho Chi Minh City afforested 22,000 hectares, Ho Chi Minh City afforested 22,000 hectares, and Don Nai was third with 11,000 hectares.

Many areas afforested during the past several years have begun to form closed canopies. Every year thinning out provides the provinces with hundreds of thousands of cubic meters of firewood and promptly met the people's need for cooking fuel, which is becoming very great.

However, those afforestation results are still low in comparison to the requirements. At present, the total saline swampland and salt-water forest area in the Nam Bo provinces total about 230,003 hectares, of which the natural forest area accounts for about 120,000 hectares. The afforested area amounts to about 67,100 hectares. Not counting the saline swampland area that is built up every year, the area of saline swampland that has not yet been afforested in the Nam bo provinces still amounts to 43,000 hectares. That is a considerable figure which demands that the localities with saline swampland apply more urgent, resolute measures to rapidly afforest the remaining unafforested area.

In general, the afforestation of salt-water forests is easy and convenient, is efficient, and quickly brings about greater economic effectiveness than afforestation and tree planting in the mountainous and lowland areas. Among the principal types of trees in the inundated areas, mangrove trees account for the absolute majority and are planted most by the localities. But in the saline swampland area there are five different kinds of soil, each of which is suitable for only one kind of tree. In the area inundated by low tides, the soil is loose mud or aluvial sand, which is suitable for only two types of trees: "luoi dong" rubus palmatus and black rubus palmatus. The area inundated by average tides the saline soil is packed mud, which is only suitable for mangrove, "dung," or "ban dang" trees. The area inundated by high tides has soft clay soil that is only appropriate to "tu" mangrove, "vet tach" mangrove, and "da quanh" mangrove trees. Areas inundated by tides on an irregular basis usually have very hard soil which is suitable only for "gia" or date palms.

Due to failure to carefully study the nature of the soil and appropriate trees because of excessive "worship" of mangrove trees, during the recent period thousands of hectares of mangrove trees have been planted in unsuitable areas, so they could not develop, or immediately after they were planted they wee washed away by waves. Some localities have had to replant the trees many times, with the result that in the end their efforts amounted to nothing.

That situation has posed a very strict requirement: if the planting of salt-water forests is to attain the highest effectiveness the localities must carry out meticulous, accurate studies of the land areas inundated by salt water in order to select trees most appropriate to each soil area. In order to accomplish that, in order to study and research the soil, the forestry sectors in localities with saline swampland and salt-water forests must have plans and rich, varied, and stable sources of saplings in order to take the initiative in planting salt-water forests.

In planting and protecting salt-water forests, attention must be paid to preventing and eliminating insects and diseases, and to regular thinning in order to fully utilize the sources of firewood to serve the people and create the necessary development for the trees. At the same time, attention must be paid to building systems of dikes to stop waves, and canals and ditches to ensure the drainage of tidal and rain water, and ensure the necessary nutritional requirements so bring about the greatest economic effectiveness during the shortest possible growth period.

Our salt-water forests are not only a great source of vegetable wealth but also constitute a very great source of shrimp and fish, especially export shrimp, which are favored on the world market. Furthermore, the increasing extension of the saline marshland into the sea holds great promise for large specialized cultivation fields with much new land. Therefore, the most effective combined use of the potential of the salt-water forests is not only a major problem that has been posed the forestry sector but requires close coordination between the agricultural and maritime products sectors in the localities with saline swampland.

For a long time, because there has been no close coordination a widespread situation that has occurred has been that a sector knows only its own work. The forestry sector has made many efforts and expended much money and materiel to develop and protect the salt-water forests. The agricultural sector competes for open areas which the forestry sector has not afforested, and even destroys newly planted trees which have not had time to develop in order to grow grain crops. Therefore, the degree of salinity is still high and tide water rises and falls irregularly, so the grain cannot develop. As a result, the forests of the forestry sector increasingly diminish and the agricultural sector does not benefit, and in the end cultivable land remains uncultivated.

Due to natural conditions, the saline swampland areas have large reserves of export shrimp. That is an important source of maritime products. Its development will enrich the localities and the nation and is extremely necessary. But in some areas development has been unplanned, which has affected the development of the salt-water forest areas. There are even localities in which thousands of hectares of salt-water forests have gradually been destroyed because attention has been paid only to shrimp and not to protecting trees. In those salt-water forest areas which have been "devastated" by man, not only have trees been destroyed but the shrimp breeding grounds no longer exist and the shrimp harvest steadily declines.

Therefore, planting and protecting the salt-water forests in order to fully utilize their greatest economic capabilities is a heavy responsibility of the party committee echelons, the governmental administrations, the forestry sector, and many relevant sectors, especially the agricultural and maritime products sectors.

5616
CSO: 4209/620

INCREASED EMPHASIS ON SHRIMPING URGED

Hai Phong HAI PHONG in Vietnamese 2 Apr 86 p 3

[Article by Manh Tuong: "On the Catching and State Purchasing of Shrimp"]

[Text] In 1985 the aquatic products sector and the Aquatic Products Export Corporation contributed to the municipality 150 tons of frozen shrimp for export and began to affirm the strengths of the maritime economy. During the first quarter of 1986 the corporation purchased 52 tons of fresh shrimp, an increase of 11 tons over the same period last year.

Exercising its right to take the initiative in commerce in the spirit of Resolution No 4 of the Standing Committee of the Municipal Party Committee, the corporation reached agreement with the bank and was allowed to use cash obtained from selling goods to purchase shrimp for export. Fourteen boats of processing enterprises with motors of 6, 12, 33, and up to 150 horsepower remained at sea for long periods, closely followed the fishermen to buy shrimp, and exchanged goods at sea. The sector's shrimping enterprise contracted output to each boat and for each trip to sea, and commanded concentrated shrimping by the fleet, so it was able to tightly mange output. During the first quarter of 1986 the corporation purchased nearly 10 tons of shrimp. Giving authority to the districts to take the initiative in purchasing shrimp, the corporation, taking the export route, turned over to the districts a number of essential consumer goods to be used in exchange. Therefore, during the past 3 months Cat Hai District turned over to the corporation 18 tons of fresh shrimp. In order to take the initiative in processing and improving the quality of frozen shrimp for export, the corporation made in-depth investments in the processing enterprises, purchased equipment, and quickly installed refrigeration equipment with a capacity of two tons a day. That installation has been brought into operation, has worked well, and has met high export standards, at a flash freezing temperature of 30 degrees C. It has been evaluated highly by the Ministry of Aquatic Products and bears the name "Freezing Factory No 42."

The shrimp production forces of the municipality now have developmental momentum. They include the Cat Ba fishing enterprise and the fishing and shrimping enterprise of Aquatic Products Service. The purchasing and processing enterprise also has a number of motorized boats which both purchase shrimp and produce. The Hong Hai cooperative in An Hai, which has much experience in catching shrimp by using drag nets, has been appropriately equipped to catch shrimp for export. Implementing the policy of the Municipal Party Committee and the Municipal People's Committee, and encouraged by the aquatic products sector, the fishermen and peasants in the areas along rivers and along the sea in the municipality have developed 1,000 three-layered drift nets to catch shrimp. Every year those production forces contribute three-fourths of the shrimp for export. Because many producers, many people selling shrimp, and many people purchasing shrimp pushed prices upward, on 25 December 1985 the Municipal People's Committee issued Decision 1558 QD/UB on state shrimp purchasing. The decision clearly stated that "It is strictly forbidden for the sectors and units not directly under the management of the municipal aquatic products sector and do not have a function related to shrimping to participate in buying and selling the various kinds of specialized materials of the aquatic products sector or the various kinds of aquatic products, especially aquatic products for export."

The decision was clear, but at present a number of units and dozens of specialized shrimp merchants still buy shrimp at the places of production.

Recently, in a period of only a day the municipal market management forces and the aquatic products sector uncovered seven instances of shrimp purchasing that was not in accord with functions. One such instance involved Hoang Dinh Khang, a worker at the Do Son aquatic products raising enterprise, who purchased 16 kilograms of yellow shrimp at Do Son, then took advantage of enterprise red tape to transport and sell it to the maritime products enterprise federation. Another instances involved Nguyen Van Cap, a specialized merchant in the city of Do Son who sold 21 kilograms of shrimp of all kinds. Bui Van Tue, of Nam Hai village, who purchased 20 kilograms at the wharf for resale; Pham Van Vuong, a small merchant who purchased shrimp on the market and sold the enterprise 21 kilograms; Nguyen Van Nien, who sold 10 kilograms of shrimp; Do Thao, who sold 13 kilograms of shrimp, etc. Every year the municipality loses a considerable quantity of export shrimp because it does not economize in consumption and because a number of unauthorized units and individuals who are not part of the municipal export aquatic products corporation buy shrimp.

In order to concentrate the municipality's sources of export shrimp, the districts must both actively purchase shrimp and closely manage the market. They must exercise management at sea, at the shrimping fields, at the mouths of rivers and inlets, and at the wharves. The market management forces of the maritime products sector must coordinate closely with the intersectoral control stations to effectively prevent the illegal buying and selling of shrimp.

5616
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TRANSPORTATION AND COMMUNICATIONS VIETNAM

EFFORTS TO TRANSPORT GOODS TO HIGHLANDS, FRONTIERS EXTOLLED

Hanoi GIAO THONG VAN TAI in Vietnamese 22 May 86 p 1

[Text] In the service of developing production and in support of combat and stabilizing daily life for the people, cadres, workers, civil servants, and soldiers, our sector is tasked with transporting goods to the highlands and the frontiers, zones of unlimited importance to the economy and national defense. Recognizing this importance, central transport forces have been very successful over the past at coordinating the transport of grain, coal, fertilizer, and general merchandise to highland provinces. Local transport units have also made efforts to receive goods distributed by the central echelon and organize good transport within the provinces.

The railway sector arranged for many trains to carry goods from Hai Phong and Ho Chi Minh City up to Lang Son, Hoang Lien Son, and Bac Thai. In particular, many trains were dedicated to hauling good quality freight fast and safe from Song Than Station (Ho Chi Minh City) directly to Lang Son and Hoang Lien Son. The Confederation of River Transport Enterprises 1, and especially River Transport Enterprise Nos. 1 and 5, kept transporting coal, grain, and salt to the ports of Hoa Binh and Viet Tri, from where many convoys of self-propelled vessels bring grain up to Ha Tuyen and poll boats bring coal up Thao River to Yen Bai and up Lo River to Tuyen Quang. Motor transport forces, which are by nature mobile, travel long distances and penetrate deep, hauled goods in large volumes very near the consumer. Urgent requirements have often required motorized transport units to return to Hanoi and Hai Phong to pick up goods to take to the highlands. In spite of difficulties, truck units tried to strictly comply with dispatch orders.

Nevertheless, the demands of daily life, production, and combat have called for timely delivery of an ever increasing volume of goods in the highlands, and results achieved in the transport of some essential goods in some places have not met volume and deadline requirements. Transport contracting has been disjointed in some sectors. For these reasons, the ministry is directing transport units to concentrate means of transport and give priority to bringing goods to the highlands before the storm season this year. The entire sector is resolved to transport goods to the highlands and borders in full volume and on time and to ensuring quality and safety. For the immediate future, the railway transport sector will ensure that 12 cars will carry grain to Lang Son and Hoang Lien Son daily; the river transport sector will contend with tides at the start of the season and dispatch more means of transport, ensuring that 2,000 tons of grain are carried to Ha Tuyen each month and that pole boats are used to get coal to Yen Bai and Tuyen Quang. With their capability for going long distances and penetrating deep, trucks will ensure that needs are met for transporting goods to distant and remote areas; at the same time exploiting their mobility, they will be prepared to return to resolve difficulties with goods in the rear. Local transport forces in each highland province must take the initiative of coordinating with central transport units to arrange for receipt of the cargo and its timely transport to the places where it is to be used.

In the spirit of socialist cooperation, some other central and local transport units, such as the Ha Son Binh, Hai Hung, and Hai Phong Communications and Transportation Services, River Transport Corporation No 2, and the Heavy Transport Corporation, though they do not transport goods directly to highland and border areas, have received and continue to receive more goods for transport to units in midland and delta areas, especially Hanoi. In combination with bringing goods to the highlands, the central motor transport sector and Lang Son are coordinating with the railway sector to transport Na Duong coal from Lang Son to cement factories, and the river and rail transport sectors are coordinating to carry Lam Thao phosphorus fertilizer from Viet Tri (in Vinh Phu) to Hai Phong and Quang Ninh for shipment by sea to the south in service of agricultural production.

Transport service to highland and border areas is a task that supports both production and combat, protecting the security of our beloved borders and Fatherland. Every cadre and worker in transport units is striving to complete and surpass the transport plan in support of highland and border provinces.

9830
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PHAM VAN DONG TALKS WITH DELEGATES TO LABOR CONFERENCE

Hanoi LAO DONG in Vietnamese 22 May 86 p 4

[Article by "P.V.": "An Affectionate, Useful Meeting"]

[Text] Editor's Note: As we reported, 3 months after the meeting at the beginning of the year, on 8 and 10 May, Council of Ministers Chairman Pham Van Dong again met with representatives of laborers, workers, and trade unions in Hanoi, this time in greater numbers. It was an affectionate, useful meeting and dialogue, for while listening to reports Chairman Pham Van Dong stood up and spoke with people near-by. Thus there were enthusiastic conversations and excited applause. The entire assembly hall fell silent and paid close attention.

We recorded a number of the conversations.

Activate the Laboring People To Track Down People Engaged in Illegal Livelihoods

It was then the turn of Mrs. Ha, Chairman of Nguyen Trung Truc Subward, Ba Dinh Ward, to speak. Mrs. Ha said that her subward had provided work for many people who were unemployed or had illegal incomes. Her subward also relies on the masses to uncover and bring to justice people who are engaged in illegal livelihoods and disturb order and security. While Mrs. Ha was speaking Chairman Pham Van Dong signaled with a raised hand and said:

"It is good that a female comrade is a subward chairman and can accomplish that. I heard you say that thanks to discoveries by the masses we were able to suppress people who cause economic harm, black marketers, colluders, and thieves. But that must you say to a worker such as Thinh, who works at machine Tools Manufacturing Factory No 1, to work contentedly? In your subward are there still people who refuse to work but live like kings and become rich on the backs of workers?"

"I'm sure that there are some, but they earn their livings surreptitiously so we do not have enough evidence to confront them over their crimes."

"That right. They exist all over the city. Your subward is not the only one with such people. As for proof about the livelihood of those parasites, the people know all about them. You must, along with the people motivate the working people to track down people with illegal livelihoods. They must be completely eliminated. Are you capable of doing so?"

"I promise you that we will do so."

"That's good. If there are any difficulties, get in touch with the leadership comrades at the municipal level to discuss ways to resolve them."

Can the Importation of Autos Be Reduced To Import More Garbage Trucks?

Long, trade union secretary of the Sanitation Corporation, arose to give a report. As they listened to him speak, everyone was sympathetic over the hardships endured by the workers of the Sanitation Corporation. At present the corporation sends teams or groups of workers to pick up trash in the subwards, under the guidance and management of the subwards, in order to clean up and beautify the subwards, but some subwards have not truly been concerned with that matter. The Chairman asked Long, "Which subwards do you mean?" Long hesitated.

"OK, then. You should draw up two lists, one of the subwards which have done a good job, and one of the subwards which have not. The lists should be made public so that those which have not done a good job will have to do so."

Among his recommendations, Long stated that it was not good to have large garbage dumps in the city, but that 40 garbage trucks would be necessary to clear away those dumps, while the corporation had only two decrepit trucks. He recommended that the city allow the importation of 40 such trucks. The chairman whispered something to comrade Tran Vi, who nodded his head. Chairman Pham Van Dong stood up and said to everyone:

"There are many autos on the streets of Hanoi, but there is a need for 40 garbage trucks. Have any organs represented here purchased autos for use by cadres." Several people responded "Yes." The Chairman shook his head and continued, "I know that some organs have bought good autos for individuals at time when the city needs garbage trucks. What do you think about that?" The Chairman smiled and said, "Perhaps we could import fewer autos in order to import additional garbage trucks, could we not?" There was a roar of laughter.

Mr. To's Recommendation

Everyone listened very attentively to the opinions of Tran Vi, for they were opinions of the municipal chairman and the opinions of the capital's party organization. In addition to synthesizing nearly 20 opinions of delegates, Tran Vi further clarified a number of forthcoming work policies of the Standing committee of the Municipal Party committee which all sectors, circles, and echelons had to take very specific steps to implement in the circulation-distribution, housing, prices, market management, social order, and other tasks. When Tran Vi spoke of the criticism and self-criticism activities in the party, he said that Hanoi has 150,000 party members, who are valuable capital and a hard-core force in the capital's revolutionary movements. He also noted that a considerable number of Hanoi's party members have degenerated, weakened the party's prestige, and lessened the confidence of the people. At that point chairman Pham Van Dong interrupted by raising a hand and asked.

"Can you tell us what percentage of the party members have gone wrong?"

"We have categorized the party members and concluded that about 20 percent of the party members are deficient with regard to moral quality and revolutionary virtue."

"Are the rest good? Are they fully qualified to be party members?"

"About 30 percent of them lack the exemplary vanguard nature of party members."

Chairman Pham Van Dong shook his head with a look of dissatisfaction and asked everyone:

"At the time of the August 1945 Revolution, how many members did our party have?" (there were a few answers). "That's right, only about 5,000 party members. Even so, our party led the masses in an extremely great national undertaking and brought about independence and freedom for the nation and happiness for the people. Our party continued to lead the people in winning one victory after another. Even so, today, in the enterprise of building socialism and defending the Fatherland, some party members have gone wrong.

The Chairman also expressed a number of opinions so that the delegates could think about them and find the best ways to carry them out, especially in order to strengthen the Hanoi party organization. When the chairman finished speaking, Tran Vi continued in a respectful and comradely voice:

"The recommendations of Brother To (an intimate nickname of Chairman Pham Van Dong) cause us to think, to think in order to come up with practical measures, and then to begin work and do a very good job, even at the basic level. Only by doing a truly good job can we bring into play the leadership role of the party and restore the people's confidence.

5616
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LABOR

VIETNAM

HAI PHONG IMPLEMENTS NEW SOCIAL INSURANCE SYSTEM

Hai Phong HAI PHONG in Vietnamese 12 Mar 86 pp 3, 4

[Article by Hoang Ngoc Tri, Director of the Hai Phong Labor Service: "On Setting Up an Insurance Fund, Purchasing Insurance, and Implementing an Insurance System for Workers"]

[Text] At the conference to recapitulate 5 years of providing employment for workers in the municipality and the city, comrade Doan Duy Thanh, a member of the Party Central Committee and Secretary of the Municipal Party Committee, posed a question, "should all workers, no matter whether they work in the state sector, in the cooperatives, or in families, who when they reach retirement age receive the same benefits, and who have legitimate incomes, have to contribute a certain amount to the insurance fund? If that is done, it is certain that all workers will work positively and think of things to do, and not scheme to get into the state organs." The Standing Committee of the Municipal Party Committee exchanged opinions on that thought, reached unanimous agreement, and assigned responsibility to the labor organ to study the matter and make recommendations.

On 25 January 1986 the labor organ reported on its project to the Standing Committee of the Municipal Party Committee. After the Standing Committee of the Municipal Party Committee expressed its opinions, and with the supplementary participation of a number of sectors, the Labor Service reported to the Ministry of Labor and completed the document. On 31 January 1986 the Municipal Party Committee officially approved the temporary regulations on setting up insurance funds, purchasing insurance, and implementing an insurance system for workers in the municipality. While waiting for the Municipal People's Committee to make a decision and codify regulations for the state in order to organize implementation, we would like to deal with a number of major opinions from the point of view of a research and advisory organ, in order to obtain the support and opinions of the broad popular masses.

Why is it necessary to set up an insurance fund, buy insurance, and implement an insurance system for workers?

Of course, there are many reasons, but some of the principal ones are as follows:

At present, the total population of the city is about 1.3 million, of which the labor forces account for 47 percent. By the year 2000 the workers will account for 56 percent, i.e. will account for more than half of the people in the municipality. Workers are valuable capital and are the first force in producing material wealth for society. At the same time, in the labor process they create their own history. For example, the Hai Phong of today has been expanded considerably by reclaiming land from the sea and developing into a "municipality that has both a modern port and developed industry and agriculture and is an export-import center and a tourist-service center, while also being a steel anti-aggression fortress." Thanks to the generations of workers in the municipality from the time when the female general Le Chan mobilized the people to clear wasteland and build the villages of Ven and Lac Vien, only after experiencing countless hardships could there be the city of today. The party and state are much concerned with the workers. The Municipal People's Committee has issued many directives and resolutions, and have set adopted many major measures to improve the lives of the working people. The implementation of an insurance system for state cadres, workers, and civil servants, and members of small industry-handicrafts cooperatives when they are ill, give birth, retire, become disabled, have labor accidents, or pass away also manifests the concern of the party and state for workers. But with regard to percentage, that insurance system covers only about 35 percent of all workers in the municipality, while the remaining 65 percent, who are agricultural workers and neighborhood workers, who require attention and cultivation and who are encouraged to produce contentedly in the social spheres to which they are assigned, but are not covered by an insurance system! Furthermore, the existing insurance system is still heavily characterized by a subsidized, equalizing nature. Especially, in the small industry sector, which in 1983 established a system of social insurance deductions and payments similar to that of state workers and civil servants in accordance with the insurance statutes of the Vietnam Small Industry-Handicrafts Federation, because of poor management of the insurance fund there is not yet sufficient money to make insurance payments, which causes the cooperative members to lack confidence and enthusiasm. Therefore, the laboring masses are concerned and worried about the time when they will be old and weak, which results in their seeking, by one means or another, to join a state organ or enterprise so that they can be covered by an insurance system, which causes many negative phenomena, at a time when the number of people added to that sector is very limited.

In order to overcome that situation, while at the same time strictly implementing resolutions 8 and 9 of the Party Central Committee and resolutions 38 and 41 of the Municipal Party Committee concerning the renovation of the management mechanism by changing over from the bureaucratic centralism-state subsidy system to socialist economic and commercial accounting, and also in order to manifest the evaluation and concern of the party and state toward the workers and affirm that the obligations and rights of workers in society are equal, and create conditions for distributing and using social labor in a varied manner, encourage all workers to work contentedly and enthusiastically, contribute to increasing social labor productivity, and increase social output and the national income, the Standing

Committee of the Municipal Party Committee has adopted the policy of setting up insurance funds, purchasing insurance, and implementing an insurance system for workers in the municipality.

Contents of Setting Up an Insurance Fund, Purchasing Insurance, and Implementing an Insurance System

1. With regard to common principles:

The state will assume responsibility for setting up an insurance fund and making insurance payments to workers. The state is represented by the Insurance Corporation and a system that extends down to the precincts, districts, subprecincts, villages, organs, and enterprises, to organize its implementation and management. The state's role differs from that of an organization set up by the people, such as the Old People's Care Association in the subprecincts at present.

When setting up this new insurance fund, the system of setting up social insurance funds and implementing the insurance system for cadres, workers, civil servants, and small industry-handicraft cooperative workers will be maintained, for it is a common system for the entire nation while the new insurance fund is being tried out only in Hai Phong. We will keep a step ahead, gain experience as we work, and supplement and perfect the system. If we do a good job we will help the central echelon expand the system and implement it on a national scale.

However, the new insurance fund is not being set up only for workers in the agricultural sector and neighborhoods, who are not yet covered by an insurance system, but for all workers, including cadres, workers, civil servants, and members of small industry-handicrafts cooperatives, who are now covered by an insurance system. All may purchase insurance and participate in the insurance system. One person may purchase many shares, one for himself and others for relatives. The more shares one buys the higher the benefits one receives. They may be purchased all at once, over a period of many months, or over a period of many years. Benefits are paid where the insurance is purchased. The state recognizes the right of the beneficiary.

2. On the Insurance System:

At first it will not be possible to insure all aspects, as does the present system for cadres, workers, civil servants, and small industry-handicrafts workers, but only includes insurance for people who retire, are in ill health, or as disabled and no longer to participate in production labor. The conditions for being able to retire as the same as those stated in Article 1, Decree No 235, of the Council of Ministers: 60 years of age for men, 55 years of age for women. However, people who have not yet met those requirements but are workers who are truly in poor health or are disabled and are no longer able to participate in production labor may also draw benefits from the insurance system.

When people who have purchased insurance die are paid both principal and interest after deductions are made for monthly insurance payments and allowances for funeral expenses, including an average coffin, six meters of burial cloth, incense, and a hearse (if not paid in kind, they are calculated at the current prices and paid in money in equivalent amounts). If coverage is insufficient, the insurance fund makes up the difference, but if there is a surplus the beneficiary receives a lump-sum settlement. That system of funeral expenses will gradually be appropriately expanded.

The case of a person who buys insurance is transferred to another province can be resolved in one of the three following ways:

First, receive a lump-sum payment of principal and interest.

Second, if the place where the person is sent also has an insurance fund, the state is responsible for transferring the insurance money to the worker's new location.

Third, transfer the insurance to the beneficiary.

3. On the rates of insurance purchasing and payments:

Purchasing rate: According to initial estimates, the worker must pay a sum equal to 1.25 percent of his income every month and make the payments for 20 years or more.

Payments rate: With the payment rate of 1.25 percent a month over a period of 20 years or more, the monthly insurance payment rate is 50 percent of the average income. If the insurance is purchased 25 years or more, the payment is 60 percent, and if payments are made for 30 years or more the payment is 70 percent.

For example, the average income of a worker is 400 dong a month the corresponding insurance premium at 1.25 percent is 5 dong per month. If the insurance is purchased for 20 or more years the total is 1,200 dong, if it is purchased for 25 years or more the total is 1,500 dong, and if it is purchased for 30 years or more the total is 1,800 dong. Thus the monthly insurance benefit payment corresponding to 50 percent is 200 dong, at 60 percent it is 240 dong, and at 70 percent it is 230 dong a month.

That method of calculating the percentage rate maintains the value of money and when the average income level of the worker increases and the insurance premium and the amount of the insurance benefit payment increase proportionately.

In sum, the setting up of an insurance fund, the purchasing of insurance, and the implementation of an insurance system for workers in the municipality is a major policy of the Municipal Party Committee and the Municipal People's Committee, in order to show appropriate concern for the obligations and rights of workers while they are still healthy and can participate in production labor and contribute to society, as well as when they are no longer able to work and are allowed to retire, when they are disabled, and even when they die. It is certain that that new policy of the Municipal Party Committee and the Municipal People's Committee will be ardently supported by the organs, mass organizations, the Fatherland Front, and the broad popular masses, for it is a policy which both "benefits the nation and benefits the family" and is appropriate to the aspirations of the workers. In the process of organizing implementation there are inappropriate points which must be changed, so with a spirit of working while gaining experience we will continue to supplement and perfect it.

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